

KOFIC 연구 2020-13

# Cinematic Competence of Asia and Vision for Co-prosperity







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## Preface

Until today, the topic of Korean films pursuing co-prosperity with other Asian films has not been highlighted. Economically, the Korean film market has grown to be a significant market that now ranks among the top ten. Furthermore, the high-quality Korean films produced over the past two decades garnered international fame. However, on the other side of the spectrum, Korean independent films have lost their footing little by little, and, aside from exceptionally successful films, many independent films were excluded from the domestic exhibition circuit. The virtuous cycle of production and distribution of independent films collapsed, which in turn reduced the general audience's interest. This study perceives at fast-growing Asia, especially ASEAN, as countries of filmmakers and artists, not as mere one-sided export targets or new consumer markets of Korean films. It further explores how independent filmmakers at risk can prosper together in flexible and open collaboration.

Such co-prosperity is built on two premises: putting priority on locality and improving mobility. This is because the foundation of collaboration is made by the achievements of the dedicated local players and the movement of filmmakers. Here, a transnational view is an inevitable step. Therefore, it is appropriate to expand the scope of collaboration by making local cities film hubs which would network with other local and regional areas, while cultivating the existing seeds of cooperation. This study first sought to identify the resources, capabilities, and collaboration cases of Asian countries and then propose practical and doable joint projects. Sometimes, the study looked for unquantifiable results. Researchers had to rely on written or face-to-face interviews when there was no official data available. This process was as challenging as building a practical mid- to long-term roadmap.

Many filmmakers strongly agree about the need for collaboration, especially since they have been unable to respond to some factors that hinder the development of their own film culture and external conditions such as international trade rules. Above all, they desire to be free of isolation by sharing their creative capabilities and markets

and by seizing the opportunities that arise. To make the proposed joint projects a reality, more discussion will be needed with a follow-up research. For Asian cinema as a whole, no country in Asia is secondary to another. As a supporter and audience of Asian films, I look forward to seeing local independent filmmakers, who have not lost their autonomy, develop creative and dynamic ways of collaboration, which will then be implemented in real life and create an ecosystem of films as diverse and vibrant as the natural one.

October, 2020

Head Researcher, Ph.D

2019-2020 Project Research Team of KOFIC

Eun-Young KIM

\* The opinions expressed in this report are the researchers' own and do not reflect the view of KOFIC, Ministry of Culture, Sports and Tourism, or the Korean government.





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<b>Head Researcher</b>	Eun-Young Kim (Film Producer / Professor, Chugye Univ. for the Arts)
<b>Cooperate- Researchers</b>	Joan Hye-Jung Lee (Former KOFIC Member / CJ E&M Filament Pictures) Younghong Brian Chung (CEO, Paper Barn Studios) Woody Kim (KAFA Team Leader, KOFIC) Do-hoon Lee (Instructor, Yonsei University)
<b>Translation</b>	Seungkun Geena Woo (Conference Interpreter / Freelance Translator)

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### Korean Film Council

13/14F 55, Centum Jungang-ro, Haeundae-gu, Busan, 48058, KOREA  
Tel. +82-51-720-4700 / Fax. +82-51-720-4849 / Homepage. [www.kofic.kr](http://www.kofic.kr)

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## Abbreviations

ACBS Asia Contents Business Summit

ACF Asian Cinema Fund

AFA Asian Film Academy

AFCNet Asian Film Commissions Network

AFiS Busan Asian Film School

AIPRO Association of Independent Producers

APFI Asosiasi Perusahaan Film Indonesia

APM Asian Project Market

APROFI Asosiasi Produser Film Indonesia

ARFO ASEAN–ROK Film Organization

B.I.G BIFAN Industry Gathering

BEKRAF Badan Ekonomi Kreatif

BFC The Board of Film Censors

BPI Badan Perfilman Indonesia

CCAM Creative Content Association of Malaysia

CEB Cinema Evaluation Board

DGPI Directors Guild of the Philippines, Inc.

EAVE European Audiovisual Entrepreneurs

ECP Experimental Cinema of the Philippines

E-IP Entertainment IP

FCEP Film Cultural Exchange Program

FDAP Festival Development Assistance Program

FD CD Film Development Council of Davao

FDCP Film Development Council of the Philippines

FDF Film Development Fund

FIMI Film in Malaysia Incentive

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FINAS	Perbadanan Kemajuan Filem Nasional
FPFS	Film Production Financing Scheme
FPP	Festival Partnership Program
GSAP	Golden Statue Assistance Program
HAF	Hong Kong–Asia Film Financing Forum
HKADC	Hong Kong Arts Development Council
HKFDC	HK Film Development Council
HTDC	Hong Kong Trade Development Council
IFDC	Indonesian Film Directors Club
IFFAP	International Film Festival Assistance Program
IFP	Independent Filmmaker Project
IFSAP Intl.	Film Studies Assistance Program
IMDA	Infocomm Media Development Authority
JCP	Jeonju Cinema Project
KAFA	Korean Academy of Film Arts
KAPPT	Actors Guild of the Philippines
KOFIC	Korean Film Council
LSF	Film Censor Institution
MDA	Media Development Authority
MIFFEST	Malaysian International Film Festival
MTRCB	Movie and Television Review and Classification Board
NAAC	Nationwide Alliance of Arthouse Cinema
NAFF	Network of Asian Fantastic Films
NCAP	National Cinema Association of the Philippines
NCCA	National Commission for Culture and the Arts
NETPAC	The Network for the Promotion of Asian Cinema
OMB	Optical Media Board
OSMT	one–source multi–territory

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PARFI Persatuan Artis Film Indonesia  
PEAP Philippine Embassies Assistance Program  
PFESO Philippine Film Export Services Office  
PILAR Indonesian Writers to the Screen  
PMPPA Philippine Motion Pictures Producers Association  
PPP Pista Ng Pelikulang Pilipino  
PPP Pusan Promotion Plan  
QCFD Quezon City Film Development Council  
SAAVA Southeast Asian Audio-Visual Association  
SAFF Southeast Asian Film Financing Forum  
SAMPP Singapore Association of Motion Picture Professionals  
SCPG Southeast Asia Co-production Grant  
SEAFIC Southeast Asia Fiction Film Lab  
SEAFIL Southeast Asian Film Lab  
SFC Singapore Film Commission  
SGIFF Singapore International Film Festival  
SGP Screenwriters Guild of the Philippines  
SGSAIFF South Asian Films Festival  
TTB Ties That Bind  
TFI Taiwan Film Institute  
UPFI University of the Philippines Film Institute  
VCD Vietnam Cinema Department  
VIPO Visual Industry Promotion Organization



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# Executive Summary

## **The 'New Path for Korean Cinema' Lies on the 'Path Taken Together with Asia' Vision of Co-prosperity: Filmmakers' Perspective**

Competition is becoming ever more fierce in the film markets in Asia; Hollywood continues to wield its dominating force in the market; China, a new powerhouse, is funneling efforts to encompass Eurasia and even Africa as one market under its 'One Belt, One Road' slogan; Japan also is expanding its cultural influence with the adoption of 'Cool Japan' branding. The market strategies employed by the Korean film industry also seem to be bearing fruit successfully. It is fortunate that, in the last 20 years, Korea transformed itself into a significant film-producing country with high-quality films. Nevertheless, independent films still suffer from disadvantageous position in the market: the virtuous cycle of production and distribution for low-budget films has dissipated, leading to the general audience's disinterest. On the other hand, the independent films of Southeast Asian countries - ASEAN members in particular - have garnered unprecedented attention despite the monopolistic market situation. The filmmakers in those countries leveraged their development labs or project markets to co-produce with Europe and pro-actively responded to the new media environment while innovating local industry with such efforts as community distribution and screening practices. It was hugely rewarding to discover such significant struggles and accomplishments throughout this study. For this reason, the producers of independent films are deemed here to be core players of collaboration.

In the pursuit of co-prosperity, ASEAN countries are more than just an export destination or consumption market for Korean films - they form a substantially large economic zone that dictates the fate of Asian Cinema. In a transnational context,

this study attempts to find collaboration possibilities among these countries while asserting the local accomplishments and mobility. Above all, this study cautions against Hollywoodian success stories and the export discourse behind the so-called market expansion. This study also assumes that those countries cannot be lined up in a hierarchical order since each country boasts its own creative capabilities and respectable film culture from which others can learn.

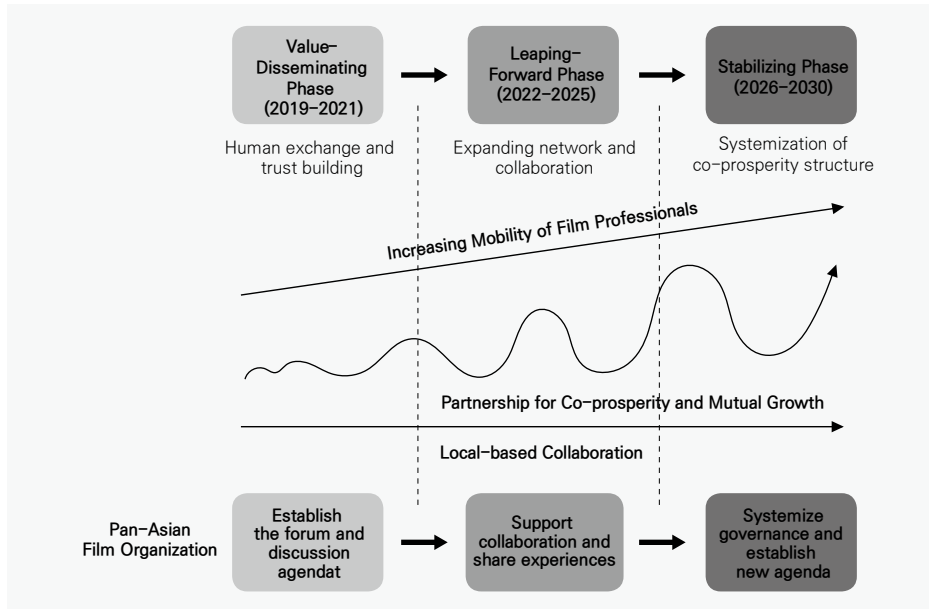
This study is composed of four sections - “New Path for Korean Cinema,” “Asian Experience and Capabilities,” “For Sustainable Growth,” and “Path Taken Together with Asia.” The first section, titled “New Path for Korean Cinema,” which is essentially the Introduction in this study, explains the purpose as well as the methodologies employed. The purpose of the study is to: 1. seek partnership for co-prosperity and mutual growth by looking at Asian films through the eyes of Asia, 2. understand the production bases and creative capabilities of each country to collect and document the local measures and efforts, 3. find ways to improve the mobility of creators while expanding the playing field of film production so that real collaboration could happen. The subjects and scope of the study includes the attempts and accomplishments made by the film policy-makers, industry personnel, and independent filmmakers of six ASEAN countries (Malaysia, Vietnam, Singapore, Indonesia, Thailand and the Philippines) and four East Asian countries and territories (Taiwan, Japan, China and Hong Kong). Document study, desk research, various types of interviews, and case studies were employed in this study. With a shortage of document resources, interviews were tremendously helpful. First, a series of semi-structured in-depth interview questions were sent out to various film industry experts at each subject country to grasp the big picture of the country’s industrial landscape and trend. Afterward, interviewees who deemed to be more suitable for the study were selected for a face-to-face interview to supplement the missing pieces in the puzzle.

The second section, titled “Asian Experience and Capabilities,” includes the report on each country/territory and collaboration case studies. This section

explores the experiences and capabilities of the 10 Asian countries and territories – Taiwan, Malaysia, Vietnam, Singapore, Japan, China, Thailand, the Philippines, and Hong Kong. A few large conglomerates and players practically dominate the film industries at those places. Production conditions differ dramatically among them, while training facilities and distribution of independent films are in poor shape. Online platforms are quite active. Only Singapore (IMDA), the Philippines (FDCP), and Hong Kong (HKFDC) have a separate agency responsible for film policies. International co-production is primarily led by Japan, Singapore, Taiwan, and Hong Kong.

The third section, “For Sustainable Growth,” illustrates the vision of prospering together and proposes specific collaboration projects. It first examines the prerequisites to co-prosperity, reviews the ethics of collaboration, and finally offers a mid-to-long-term vision and roadmap that can be connected to policies. The requirements mentioned above are strengthening local-centric thinking that speaks to local perspectives while not turning away from the global standard and improving the mobility of filmmakers. For this reason, the emphasis is on the accomplishments and activities of local communities with substantial potential to grow into a film hub.

### 〈Vision of Co-prosperity and Collaboration Roadmap〉



This study also explores the idea of installing an intermediary organization that can support networking and collaboration among film hubs and track the outcome. It attempts to detail the tasks for a pan-Asian film organization - the ASEAN-ROK Film Organization (ARFO), for instance - if such a governance system comes into being. Within a transnational network that connects the actual filmmakers themselves, this organization will have to narrow the capability gap among countries and territories while serving as a mediator that coordinates film policy directions and mitigate conflicts of its members. For this reason, the study suggests a mid-to-long-term vision and roadmap that consist of a Value-Disseminating Phase (2019-2021) during which human exchange and mutual trust strengthen, followed by a Leaping-Forward Phase (2022-2025) during which connections and collaborations further flourish and, finally, a Stabilizing Phase (2026-2030) during which the co-prosperity structure is systematized. And each Phase entails the necessary strategic objectives and action plans. This roadmap bases itself upon the possibility that one small local film base becomes a creative film hub and gets connected to other similar hubs, creating a

self-raised platform for trade, exchange, and interchange. On such a foundation, once the virtuous cycle of collaboration takes root, Asia will be able to find more partners within Asia than over in Europe.

〈Strategies and Collaboration Possibilities for Each Phase of Co-Prosperity of Asian Films (preliminary)〉

Phase 1	Strategic Objectives		Action Plan
Value-Disseminating Phase	Human exchange and trust strengthen (2019–2021)	<ul style="list-style-type: none"> <li>▸ Build relationship and learn about each other</li> <li>▸ Share creative capability and values of collaboration</li> </ul>	<ul style="list-style-type: none"> <li>▸ More mutual visits/forums and workshop tour</li> <li>▸ Maintain and Expand film festival exchanges</li> </ul>
		<ul style="list-style-type: none"> <li>▸ Maintain and expand local activities</li> <li>▸ Expand research projects</li> </ul>	<ul style="list-style-type: none"> <li>▸ Share cultural assets of film archives</li> <li>▸ Update country reports</li> </ul>
		<ul style="list-style-type: none"> <li>▸ Experiment on lean organization</li> </ul>	<ul style="list-style-type: none"> <li>▸ Simple Test on online platforms</li> </ul>



Phase 2	Strategic Objectives		Action Plan
Leaping-Forward Phase	Connections and collaborations flourish (2022–2025)	<ul style="list-style-type: none"> <li>▸ Expand partners and connections</li> <li>▸ Experiment on cross-over projects</li> </ul>	<ul style="list-style-type: none"> <li>▸ International co-productions and fund established</li> <li>▸ Producers' workshops</li> </ul>
		<ul style="list-style-type: none"> <li>▸ Constitute and operate a pan-Asian organization</li> <li>▸ Set up regional film hubs</li> </ul>	<ul style="list-style-type: none"> <li>▸ Collect current issues and develop joint projects</li> <li>▸ Operate residence programs</li> </ul>
		<ul style="list-style-type: none"> <li>▸ Establish foundation for transnational distribution</li> <li>▸ Plan and operate exchange programs</li> </ul>	<ul style="list-style-type: none"> <li>▸ Use more online marketing tools and social media</li> <li>▸ Support joint marketing campaign</li> </ul>



Phase 3	Strategic Objectives		Action Plan
Stabilizing Phase	co-prosperity Structure Systematized (2026–2030)	<ul style="list-style-type: none"> <li>▸ Organi growth becomes consistent</li> <li>▸ Stronger co-prosperity partnership</li> </ul>	<ul style="list-style-type: none"> <li>▸ Set up a number of local film hubs</li> <li>▸ Operate on/off-line platforms</li> </ul>
		<ul style="list-style-type: none"> <li>▸ Stabilization of pan-Asian organization</li> <li>▸ Stable operation of support schemes</li> </ul>	<ul style="list-style-type: none"> <li>▸ Conduct mutually complimentary activities of policy organizations</li> <li>▸ Increase in international co-productions</li> </ul>
		<ul style="list-style-type: none"> <li>▸ Firm virtuous cycle of collaboration</li> <li>▸ Monitoring and outcome sharing</li> </ul>	<ul style="list-style-type: none"> <li>▸ Resolve gaps and imbalances</li> <li>▸ Expand support benefits and monitoring</li> </ul>



Collaboration Possibilities	<ol style="list-style-type: none"> <li>1) Operate workshop tours and incubate local players</li> <li>2) Maintain development labs and systematize IP management</li> <li>3) Improve investment results in project markets and boost financing forums</li> <li>4) Develop open exchange project series and expand flexible co-production</li> <li>5) Operate crowd-based on/offline community screenings and devise audience development strategies</li> </ol>
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The third section also proposes collaboration possibilities, specifically five joint projects worth exploring, for they are economically viable even without any immediate public funding. They are: 1) operating workshop tour and local activist incubation programs, 2) maintaining development labs and systematizing IP management practices, 3) improving investment performance in project markets and boosting financing forums, 4) developing open exchange project series and expanding flexible co-production and 5) operating crowd-based on/offline community screenings and devising audience development strategies.

The first joint project in the proposal is to incubate local players through visiting workshops. Visiting workshops allow aspiring filmmakers bound by limited mobility access the much-needed training without having to travel. A quality training program that puts learners at the center is crucial. The program could start with the subjects that the local filmmakers need to learn the most. The Asian Film Academy (AFA) of Busan International Film Festival (BIFF), Fantastic Film School of Network of Asian Fantastic Films (NAFF) and Bucheon International Fantastic Film Festival (BIFAN), Busan Asian Film School (AFiS) of Busan Film Commission (BFC) as well as Korean Academy of Film Arts (KAFA) of Korean Film Council (KOFIC) can participate. It will be possible to create and disseminate a manual on co-production and overseas business or to install an on-the-job training program to teach about the film business. To help overcome the language barrier, film production manual and film business glossary can be developed in different languages and distributed.

The second project is to maintain film development labs and systematize IP management practice. Labs provide systematic assistance in developing stories, and, when multiple countries participate, those labs themselves become international collaboration. The outcome - the screenplay - becomes an IP (intellectual property) in the future, which means the management of those IPs is also part of the international collaboration. Here, the study proposes launching multiple open labs that meet the needs of the local or regional industries. The

Southeast Asia Fiction Film Lab (SEAFIC) and Autumn Meeting are the cases worth benchmarking in developing independent films in Asia. It is imperative to study the past experience of such labs, for international co-production projects may be developed at those labs. It is also crucial to establish a system that manages local stories and IPs to save projects from being buried. New challenges are also ahead with new forms of storytelling, such as non-narrative trends, viewer-driven narratives, IPs in short forms, changes in the cycle of enjoyment, and one-person media widely witnessed on YouTube.

The third project touches upon collaborative efforts in improving investment outcomes at project markets and boosting financing forums. While film festivals welcome and celebrate filmmakers with their newly completed films, project markets exist on the promises made for those who have not finished their projects. This study looks at the outcome from the Hong Kong Asia Financing Forum (HAF), Asia Project Market (APM), and NAFF and tries to answer the question of how to transform project markets into a vital platform of collaboration since the markets have been instrumental for independent filmmakers with limited mobility to network with potential partners and investors. It is a new challenge to change project markets into a real market that drives real investment. For this, project markets in Asia should bring their heads together instead of butting heads, to improve the investment results. It is equally important to solve current issues like the narrowing basis of film markets with the rise of content markets and trade fairs. It was a proper strategic move for the Asian Film Market to add story IPs to their showcases, recognizing their importance as core IPs. It is also essential to have more matching financing forums of all sizes like Singapore's SAFF, where independent film projects can be matched with private investors.

The fourth project is to develop an open exchange project series and to accumulate experience via flexible co-production practices. For independent filmmakers, co-production is not optional. Southeast Asian film producers apply for the SEAFIC, which they leverage to approach European funds and find a co-

producer. Independent filmmakers with minimal experience in co-production are recommended to gain experience by participating in open “joint projects” such as project exchange series. Project exchange is a loose way of co-production by securing rights on multiple episodes, which allows producers to get their hands on diverse contents without having to harm the local sentiment or interfere with the ways of working. It is also vital to develop content specifically for non-theatrical distribution. International co-production of short films, collaboration among film schools, joint workshop between independent film festivals are some of the efforts that can be made immediately.

The fifth project is to develop crowd-based on/offline community screenings and expand the audience base. This is essential for the distribution of independent films. Even if those films tap on film festivals as a showcase, penetrating into the distribution circuit is whole another animal. For example, the Korean audience now has almost no chance to watch a film from Southeast Asia. This chapter raises issues on this phenomenon and suggests to create a platform for crowd-sourced screening so the audience can see the films that they want at local cinemas. One way of executing this is to create a screening network from scratch with the help of cinemathèques, microcinemas or arthouse theaters, or to expand on the existing network. BFI’s Ourscreen is a case in point - an on-demand film platform in the UK where local exhibitors join forces together with independent films. It is worth taking note of the experiments by the “Cinema for All Fair Film Cooperative (a.k.a. Cinema for All)” and Community BIFF of Busan International Film Festival. Participation of microcinemas is a must. Also, establishing a pan-Asian online platform for digital release or partnering with a well-known platform is one way to pursue this. It is also essential to discover and support local social media marketers. Fortunately, social media platforms are already equipped with a new real space that can connect Asian audiences, and accordingly, individual digital literacy is also on the rise. Once a naturally-born and open channel becomes a playground of Asian films, this itself will drive the



growth of a new audience.

The fourth section titled, “Path Taken Together with Asia,” writes the conclusion and further challenges remaining. There are two primary accomplishments. Firstly, this study succeeded in identifying the production conditions and capabilities of each country and territory in Southeast Asia by connecting the dots of the information collected with much difficulty while emphasizing production as the core of the film industry. However, it is regrettable that, due to the lack of materials, it was impossible to develop the capability and competitiveness indicators by studying, interpreting, and re-evaluating the data after defining the content and scope of production sources. Secondly, this study attempts to propose some practical and flexible joint projects that are applicable both locally and regionally. Each project area consists of the joint projects that are necessary for binding film production, marketing, distribution, criticism, and re-production within one organic cycle in any country or territory.

The co-prosperity model for Asian films promotes unconfined activities of filmmakers unhindered by the pressure of globalization. However, this does not signify a naive optimism that the ideals of co-prosperity and mutual growth will be realized with no difficulty. The study found that there is much support out there that can be shared among independent filmmakers, and this study sets out to publicize this fact. The realization of the proposed joint projects necessitate much discussion and more follow-up studies. As far as films concerned, no Asian country in this region comes second to the other. Korean independent filmmakers also must find partners beyond the borders to ensure survival. Only when the creative capabilities and markets are shared, and opportunities are tapped within this region, can the whole region be free of isolation.

This endeavor is not without challenges. Censorship, information gap among filmmakers, shortage in funding, the disparity in production budgets, differences in taxation and settlement methods, and instability induced by political changes are obstacles to collaboration; and thus, the importance of creating a management

manual to respond to such issues effectively. Fortunately, Asian filmmakers turned out to be interested in trans-national collaboration, for they feel the heat from global strategies set out by Hollywood and new media conglomerates. This is because the concept of transnationalism has a humble and cautious attitude that values both local and overseas industries. This approach is taken with the delicate care that it will not undermine the local autonomy.

Comradery makes each step of the filmmaking process possible. It is quite fascinating to understand the neighbor's history and film culture so dynamic and full of vitality, though it may appear chaotic on the surface. Korea's all-out campaign to defend the screen quota launched at the end of the 1990's - when Korea was the 'wild card' in the world economy at the time - and filmmakers around the globe sided with the Korean activists. This made a significant turning point in the history of Korean cinema that impacted the industry and culture as a whole. The health of Korean films soon recovered afterward and started to see a stable growth. This kind of momentum is more than possible in the Philippines, Vietnam, and Taiwan. The partnership of co-prosperity will be achieved when each country respects each other's creative capabilities; when the local industry nurtures itself to grow healthily; when countries come to develop ways for collaboration with such wit and vitality, inspiring each other. Only then can Asia unshackle itself from its obsession to be recognized by the Western world and start re-writing its own history. And the new path for Korean cinema will lie on the path taken together with Asia.

## Section 1

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# New Path for Korean Cinema



## Section 1

# New Path for Korean Cinema

### 1.1. Background and Purpose of the Study

In 2019, a commemorative year of Korean cinema for its 100 years of history, *Parasite* won the Palme d'Or at Cannes Film Festival. Everyone in the Korean film industry rejoiced together. On the other hand, independent filmmakers saw this historical “event” with mixed feelings because the world of independent films was still in the shadow.<sup>1)</sup> Korean film industry grew tremendously in terms of size and volumes. Yet, the fruits of such success were not shared with independent films that were already financially struggling, and, in the end, those films were marginalized to microbudget films. Most independent films and mainstream films did not have a symbiotic relationship, nor could they support each other in the spirit of prospering together.

This research project was proposed by the Korean Film Council in January 2019 when

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1) The word “filmmaker” represents a film producer or a film director in different contexts. “Filmmaker” is being used in this study encompassing both occupations since the Korean word, “프로듀서 (alphabetized Korean for ‘producer’)” also means a film producer. When the occupational tasks and roles are emphasized, “film director” and “producer” are differentiated instead of broadly described as a “filmmaker.”

KOFIC was in talks with policymakers in Asia, in particular ASEAN (Association of South-East Asian Nations) countries, about launching a new international film organization.<sup>2)</sup> Before starting this research, a preliminary meeting (March 6, 2019) and a kickoff meeting (April 17) confirmed the direction of such policies. The research team determined two directions after discussing with KOFIC: 1. to collect fragmented information on each country's experiences and capabilities to compile them into country reports, because a collaboration model cannot be devised without understanding each country's film culture and creative capabilities, and 2. to come up with a mid-to-long-term roadmap that is both economical and practical to help improve the production and distribution system of independent films that is disintegrating in the context of Asian cinema. This attempt had to be made by keeping a distance from the growth-centric thought process of corporate strategies and market-oriented mindset. With this roadmap, joint projects were also explored for Asian filmmakers to work and prosper together.

Asia is enormous in the geopolitical context. There is no such thing as "Asian culture." There are forty different countries in Asia, over which many annexed lands and islands are dispersed. Religious and linguistic backgrounds widely differ, and each country suffered its fair share of political upheaval. Asia includes China and India, two most-populated countries in the world, and Indonesia, the world's biggest archipelago with the Muslim population. "Being Asian" in the context of films is an arbitrary condition given to any film produced in Asia or to Asian-themed films for they are on expansion around the world. Historically, Asian films have been introduced as a "foreign" film, "auteur" film, or a "cult" film with genre features suitable for arthouses. On the other hand, Asian films are challenging the Western-oriented hegemony model while developing their own audiences. At the same time, market competition has become fierce. Hollywood's dominance over the market remains strong. China is a new powerhouse for films and set to boost the competitiveness of their domestic contents.

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2) ASEAN (Association of South-East Asian Nation) was founded by the Bangkok Declaration on August 8th, 1967, after the collapse of the ASA (Association of Southeast Asia) in 1961. ASEAN started originally with five countries - Malaysia, Singapore, Indonesia, Thailand, and the Philippines, for they had a common goal of fighting against the expansion of Communism and wiping out the insurgents along the borders shared among those five countries. ASEAN was resurrected with the proposal of a free trade zone by Thailand in the early '90s. Since then, Brunei joined in 1984, Vietnam in 1995 when the Cold War ended, Laos and Myanmar in 1997, and Cambodia in 1999. The highest decision-making body is the ASEAN Summit. Security used to be the most critical issue, but the interest has expanded to economic development.

In parallel, under its “One Belt, One Road” slogan, China tries to encompass Eurasia and African continent by treading a road over lands and oceans just how the ancient Silk Road once did. Japan also is expanding its cultural influence with adoption of ‘Cool Japan’ branding.

There seems to be no disagreement with viewing ASEAN as a significant new market. Korean government’s New Southern Policy also views ASEAN as a mutual economic partner as well as a member of the co-prosperity community. Nevertheless, approaches to each country differ drastically since cultural background, level of development, and political systems – varying from Democratic to Authoritarian – are all immensely diverse and different. Their policy directions are also discordant. The influence of Hollywood and new platforms such as Netflix are new variables. Against this backdrop, the research team expected that the collaboration experience should be the key to bringing back the once-lived glory and lost resilience of each country’s cinema. To accumulate such experiences, it was determined that the production and distribution system would need to be re-set, and a collaboration roadmap for action was a top priority. This study serves as a blueprint for this very roadmap.

Now, there’s much to be discussed. This study reconstructs the discussion topics from the perspective of filmmakers. For example, it attempts to put a magnifying glass over the immense landscape of Asia and comb through, in particular, East Asia and Southeast Asia, looking for effective ways for filmmakers to collaborate. For this reason, this study distances itself from the commercialism that confines films only to trade items and from the naive argument that a pan-Asian governance is the top priority. This study has three primary purposes.

The first purpose is to explore partnerships for co-prosperity and mutual growth by viewing Asian films through the eyes of Asia. For too long have Asian films relied on the “selection” and “assessment” of European film festivals and critics. This study goes against such a trend and attempts to view Asian films through the eyes of Asia. There was also a shift in perspective over creative capabilities from that of the market to that of production. Naturally, this study will not pose a cliché question such as “who is the foe of Asian films in the market?” or “against whom are Asian films competing?” The

challenge Asian films face now is to gather up a concerted response to the shifting market paradigm. There is no chance for anyone who wants to fly solo. Therefore this study focuses on the ways for diverse Asian films to survive and not die out, rather than ways to boost competitiveness in the market.

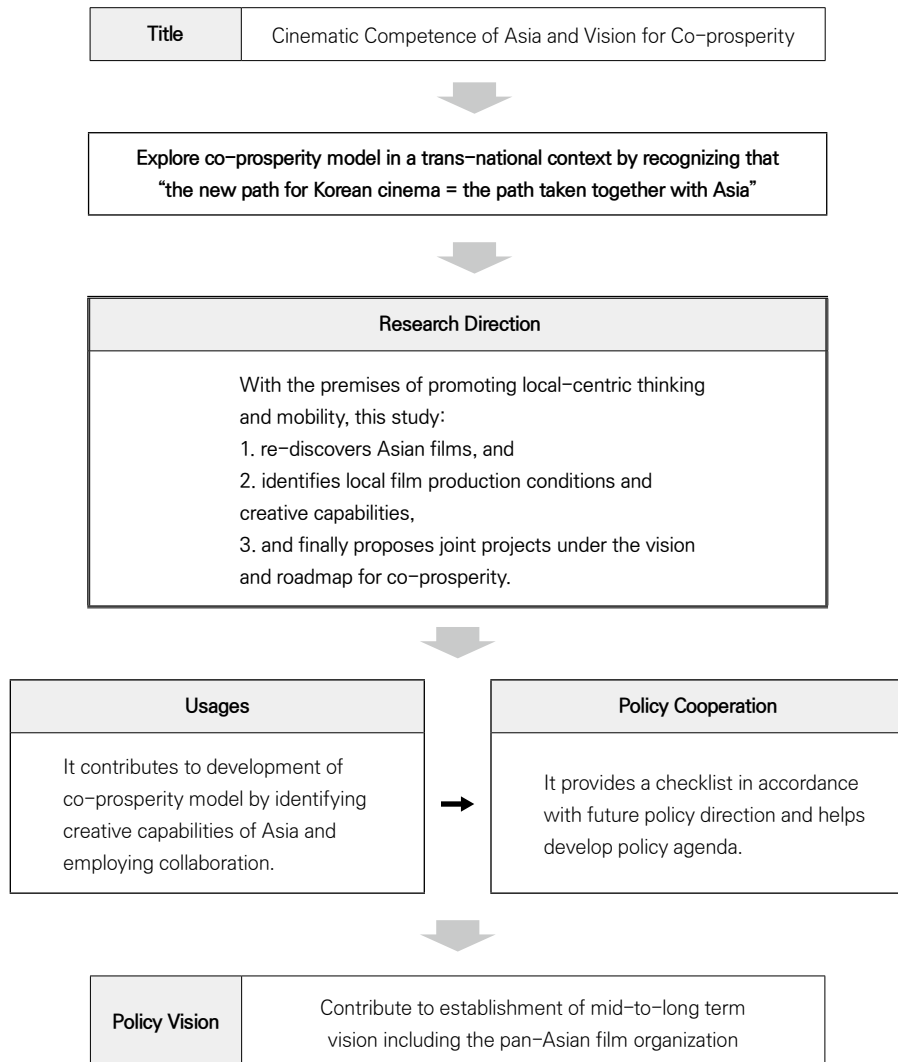
The second purpose is to discover the local self-help effort and collaboration cases while understanding each country's production base and creative capabilities. The research team witnessed how small local activities were aggregated; experiences were shared voluntarily; city hubs were created thanks to easy mobility; and those hubs were transformed into a place of exchange and interchange. Busan in Korea, Davao in Mindanao island in the Philippines, Isan in Thailand were such hub cities. This study identifies how local industries are establishing infrastructures on their own to improve mobility of film culture in Asia, how the physical movement of people and resources are strengthening via those hub cities, and how much experiences they have been accumulating. This study assumes that those countries cannot be lined up in a hierarchical order since each country boasts its own creative capabilities and respectable cinema culture, just like any film can be a source of inspiration to others. Also, it tried to discover the fact that many ASEAN countries possess cinematic assets that cannot be discounted unfairly.

Finally, the third purpose is to propose some joint projects that each country can implement economically. It is a real challenge for the local industry to take on transnational joint projects that are practical and applicable while expanding their own markets. In this case, mutual learning and education are inevitable. It is crucial to share the experiences of development labs, to create more collaboration opportunities by expanding the outcome of project markets, and to develop a new audience while supporting distribution. For this reason, this study proposes some short and mid-term joint projects by 2030 that the local industries can implement alone or sometimes in collaboration with each other. Mobility was an issue as important as local filmmakers' accomplishments. This study takes mobility as the key to narrowing the gap between local films and pursuing co-prosperity. The function of film festivals as a facilitator has been highly effective and indispensable. Busan International Film Festival was a fitting



event that drove mobility and networks of not only film culture but also “people.” It indeed was a must-visit cultural venue. Project development labs like the SEAFIC or Autumn Meeting and production workshops by KOFIC’s Korean Academy of Film Arts are also meritable activities considering how they boost physical mobility. This study reviews such accomplishments in the context of the production of independent films.

〈Diagram 1〉 Purpose and Direction of Study



## 1.2. Subjects and Methodology

The subjects of this study are related to the boundary and definition of Asia. Asia includes various sizable zones, countries, and regions. It is also not easy to pinpoint the Asian identity. Despite it all, the research team decided the subject to be East Asia and ASEAN countries after multiple discussions. Southwest Asia, Asia-Pacific region, or Kazakhstan and Uzbekistan were excluded from the scope because these areas differ dramatically for their culture or they are geographically in far distances from Southeast Asia. Also, the level of exchange was relatively low, which would make it highly challenging to collect information on film culture and industry in those regions.

Even though East Asian countries share some common cultural denominators in terms of filmmaking, they did not have much collaboration experiences thus far. Korea, China, Taiwan, and Japan turned out to be relatively conservative when it comes to co-productions; however, they all pursued a certain level of internationality in their film art. This study found those countries' strong will and commitment to go overseas would be a good driver for collaboration. Based on such findings, it was decided that East Asia would be included in the scope for these regions had frequent exchanges thanks to geographical merits. Still, the main focus would be on ASEAN countries with a specific size of film markets.

ASEAN to Korea is quite a fresh concept as being a "new Asia" or "newly discovered Asia." The development of independent films in Southeast Asia was also taken with a different point of view. The independent films in Southeast Asia have risen as one of the most significant achievements that shape the landscape of world cinema. These films are 400,000 to 500,000-dollar low-budget films made possible by affordable, light-weight, and easy-to-use digital equipment.<sup>3)</sup> Southeast Asia is also where Korean independent filmmakers can find partners with whom they can make films. Based on this, the scope of this study was finally narrowed to China, Taiwan, Hongkong, Japan in East Asia and Vietnam, Malaysia, Singapore, Indonesia, Thailand, and the Philippines in ASEAN.

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3) Baltruschat, Doris(ed., 2015), *Independent Filmmaking Around the Globe*, Toronto: University of Toronto Press, pp.3-7.

Since there was practically no previous studies with similar perspectives and objectives available, the research team started with the desk research by reviewing previous studies related to the subject countries. Some of the documents reviewed during this primary investigation include diverse materials on the film industry, documents from public agencies, corporate reports, open data from market researchers, websites of the relevant agencies, press releases such as newspapers or journals, and books on Asian films. During this process, the initial concern that official information on film markets would be rare turned out to be a fact. For this reason, within the limited scope of resources at hand, structured and in-depth written interview questions were sent out to local film industry experts of each country to collect useful information on industry landscape and trend. Then best-fitting interviewees were identified who sat down for face-to-face interviews, which helped supplement the study with missing puzzle pieces to complete the picture.

The basic materials for this study were collected from the written interviews, in-depth written interviews, face-to-face in-depth interviews and phone interviews. At first, during the research design phase, the general landscape of film industry of each subject country and their stance on the idea of collaboration among Asian filmmakers were identified. Then, in order to find the best expert who could answer the in-depth questions, a semi-structured preliminary questionnaire was sent out for written interviews. FGIs (Focus Group Interviews) and case studies were also used when necessary.

The interviewees expressed their opinion on the respective country's creative competencies and policy directions as well as market situation. They also provided written or oral responses to the idea of intra-Asian collaboration. Some of the interviews focused on particular countries or filmmakers that achieved note-worthy success cases. However, these interviews depended on the filmmaker's own experience, recollection, and judgment, which made it necessary to be extra cautious when using their oral statements in the study. The interviewees included not only the producers who made inroads to overseas markets and led co-production projects but also independent filmmakers and distributors. In addition, both KOFIC staff and people responsible for the respective country's film policies were interviewed. The experiences and ideas

accumulated by those people who had hands-on experience in executing international projects and relevant policy researchers were all highly valuable. They were the living witness to the advancement of the Asian film industry. Thanks to these interviews, the research team identified the creative capabilities of local films, collected necessary information on industry landscape, and found cases of collaboration.

Interviews were conducted between April to November 2019, and in-depth face-to-face interviews lasted for 1 to 2 hours. Of the overall 26 Korean and 54 foreign interviewees, 26 Korean and 19 foreign interviewees had in-depth interviews. There were groups of people with whom a substantial rapport could not be established due to time constraints. In this case, FGI was conducted. Sometimes, information and oral statements attained through unofficial channels were also referenced. Some face-to-face interviews were followed up by additional written questions or by another phone interview to corroborate the content.

〈Table 1〉 Interviewees

Category	Written Preliminary Interview	Written In-depth Interview	Face-to-face In-depth Interview		FGI
			Korean	Foreigner	
PAX	17	10	26	19	8
Note	Industry personnel in Asia such as film critics and producers	Industry personnel in Asia such as government agencies and producers	Producers and directors, and relevant organization personnel such as film festivals	Industry personnel in Asia such as producers, directors and government agencies	Students of Busan Asian Film School 2019 batch

Interviews were recorded and then transcribed to be read and analyzed for the study. To understand the details, experts were invited for in-depth interviews. Since qualitative research methods were employed, and it was not possible to 100% rely on the responses, cross-checking with other interviewees' responses or other materials was imperative.<sup>4)</sup> For this reason, the researchers complemented those interviews with

4) Yun, Taekrim(2004), *Qualitative Research Methodology for Culture and History Research*, Seoul: Arche, p.71.

new interviews or conducted additional document research in parallel to improve the accuracy and reliability of those statements. The validation process included 3<sup>rd</sup> party cross-checking, which also helped perfect the interview questions or add new ones.

The aim was to find stimulants rather than constraints to collaboration. Nonetheless, due to a shortage of diverse cases, it was difficult to identify the underlying pattern shared among those cases. Collaboration cases were finally selected according to document research and recommendations by the interviewees. While analyzing the materials and examining the responses, the research team put much emphasis on internal discussion and monitoring. They also did their utmost to pinpoint a creative narrative that speaks to the theme of this research.



## Section 2

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# Asian Experience and Competencies





## Section 2

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# Asian Experience and Competencies

### 2.1. Overview: Asia as Partner

There is a commonality among Asian countries that their film industries all pursue growth; however, the situations are all different. In terms of market size, China and Indonesia, whose film infrastructure falls short of their size of the population, are growing rapidly by consistently increasing the number of screens and domestic films. On the other hand, Japan and Singapore, with a relatively mature market, saw either a slowdown or even diminution of their market. Though the growth situation is different, Hollywood still wields a strong power over the market. In 2018, except China with a screen quota system against foreign films, of the top 10 box-office hits at other countries, only three were - or worse, none was - domestic films. And the rest of the top 10 list was mostly filled by Hollywood films. In general, it is rare for any non-Hollywood films to secure screens. The mainstream film industry has been dominated by a few powerful players. Most of the countries have large conglomerates that vertically integrated either

some parts of or the entire supply chain from investment, production, distribution, and exhibition. And multiplexes have become a common scene in those places.

On the other hand, independent films in those countries all face a devastating future. They are particularly vulnerable in distribution and exhibition sectors, so the production companies themselves distribute their films directly without the support of a specialized distributor. Even though some filmmakers operate their own exclusive cinemas, the performance of those cinemas has not been so remarkable. For the production budget of independent films heavily rely on public funding and international co-production, European film agencies and international film festivals in Asia are significant sources of funding. Even if a project secures government funding, there are many limitations, or only a few actually benefit from the support.

The online platform is creating a seismic change to the world of cinema. Due to the rise of the online market, Japan has seen a rapid decline in DVD and blue-ray sales; Taiwan and Singapore are experiencing a drop in box-office sales. Young viewers consume TV series more and more, and audiences have grown highly selective in choosing a film to watch in theaters. They now select Hollywood blockbusters and domestic mainstream films, which means independent films are losing ground not only on the influential online platforms but also even at cinemas. Despite all this, in all of the countries, cinephiles and college students continue seeking independent films, allowing those films to survive as a niche. Even when they do not have access to arthouse theaters, they are watching independent films at such places as local community screenings and microcinemas.

Conditions for film production are also different according to the country's history and the level of development of their film industry. Japan and China enjoy a sizable market and abundant human resources, but they still plea that there are not enough producers. In the Philippines, Thailand, Indonesia, and Vietnam, whose market recently expanded exponentially, saw a growing desire of the audience to see good domestic films, and they emphasize the need for capable screenwriters and producers. Improving training infrastructure is another challenge. Amidst all this, it is remarkable that films are being produced based on different IPs such as novels, TV shows, and

online contents, which even travel overseas.

Those governments who are keen on fostering the film industry are supporting project markets or financing forums and, at the same time, put efforts into attracting as much foreign investment as possible. The countries/territories with a sophisticated location service system provided by public entities like Film Commissions are Japan, Taiwan, Hong Kong, and Korea. In other countries, there are private production service providers based in a handful of cities. Multiple filmmakers mentioned Thailand as a post-production hub. Some states do not have any production studios or, even if they do, those studios are rarely used. Japan, Singapore, Taiwan, and Hong Kong are exceptionally keen on international co-production. Policymakers and filmmakers in those places had a vision of becoming the hub of international co-productions in Asia. The level of film policy implementation differed significantly also. The countries/territories that are implementing film industry promotion policies relatively consistently via a public body solely responsible for such policies are Singapore (IMDA), the Philippines (FDCP), Korea (KOFIC) and Hong Kong (HKFDC). There still exist many countries where the industry growth is promoted, but, at the same time, regulations such as censorship is maintained; some of them even regulate screening. Table 2 shows the key indicators of the subject countries/territories.

**<Table 2> Key Indicators on Film Industry in Subject Countries/Territories <sup>5)</sup>**

Country/ Territory	Taiwan	Malaysia	Vietnam	Singapore	Indonesia	Japan	China	Thailand	The Philippines	Hong Kong	Korea
Population (in million)	23.6	32.5	97.6	5.7	262	126.4	1,399	69.2	108.4	7.5	51.7
GDP per capita (USD)	24,889	10,490	2,343	55,231	3,859	40,063	9,377	6,745	3,301	46,077	30,912
Total Box- office Revenue (in million USD)	287	221	142	138	308	2,020	8,624	182	190	250	1,710
Total Number of Admissions (in million)	27.5	77.3	48.4	19.6	125	169.2	1,720	35	85.9	25.2	216.4
Average Ticket Price (USD)	9.1	3.3	3.3	7.0	2.6	11.9	5.4	4.6	2.6	9.9	7.6
Admissions per capita	1.5	2.4	0.5	3.4	0.3	1.3	1.2	0.5	0.8	3.4	4.2
Number of Screens	822	1,094	919	276	1,766	3,561	50,776	1,278	920	230	2,937
Market Share of Domestic Films	17.5%	16.4%	25.0%	1.7%	38.1%	54.8%	62.2%	18.3%	29.0%	13.0%	50.9%
Number of Domestic Film Produced	71	54	41	13	137	613	1,082	50	95	53	454

5) *Focus 2019 – World Film Market Trends* published by Cannes Film Festival was a primary source of reference for the statistical data of each country/territory. However, if accumulative data since 2014 were needed for a 5-year trending, data from PwC 2019 report were referenced primarily. If data in search were not in PwC report, IHS 2019 data were applied. Sometimes the up-to-date materials collected by local researchers in the subject countries/territories were used.

\*Data from PwC 2019 report: Taiwan's total theater revenue, total number of admissions and screens; Malaysia's total theater revenue; Vietnam's total theater revenue, average ticket price and admissions per capita; Indonesia's total theater revenue and total number of admissions; Thailand's total theater revenue; the Philippines' total theater revenue; Hong Kong's total theater revenue.

\*\*Data from IHS 2019 report: Malaysia's total number of admissions; Vietnam's total number of admissions; Singapore's total number of admissions; Indonesia's total number of screens; Thailand's total number of admissions and screens; the Philippines' total number of admissions.

\*\*\* Vietnam's total number of screens, market share of domestic films, total number of domestic films produced are from CGV Vietnam; Thailand's market share of domestic films and total number of domestic films produced are from *Made in Asia 2019 – Thailand Chapter*; the Philippines' total number of screens, market share of domestic films and total number of domestic films produced are from FDCP; Korea's statistical data are from KOFIC.

## 2.2. Country Reports

### 2.2.1. China

The total box-office revenue of China grew at a rapid pace from USD 4.192 billion in 2014 to USD 8.624 billion in 2018, recording a 19.8% annual growth. During the same period, the number of admissions also skyrocketed from 830 million to 1.72 billion, with a 20% yearly growth rate. In 2017 already, China became number one in the world in terms of the total number of screens with 50,776 screens beating North America, but that number grew by 18.3% to 60,079 in one year. The number of domestic films produced increased from 618 in 2014 to 2,082 in 2018, growing by 15% every year. The market share of Chinese films screened in theaters in 2018 was 62.2%.<sup>6)</sup> Of the top 10 box-office hits, six films were either Chinese films or co-production with Hong Kong. PwC already put out their forecast that China is to top the world film market in terms of box-office revenue by the year 2020.

The top three investors are local governments, state-owned production companies, and private production companies. The local governments either make a direct investment or hand out monetary support using the Special Funding from National Film Industry Development Special Fund Management Committee of the Special Funding. The state-owned production companies, just like local governments, also invest in films that publicize the regime and national policies. Some private production companies invest as well as make films themselves. Independent films are produced via diverse channels. Most of them finance their whole budget, relying on prize money from international film festivals or labs, or equity investments by private enterprises. Mainstream film projects cost over USD 1.2 million on average: in 2017, the lowest budget was RMB 5 million (approx. USD 700,000), and the lowest marketing cost was RMB 3 million (approx. USD 400,000).<sup>7)</sup> Budgets for independent projects range vastly from USD 150,000 to USD 1.5 million.

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6) Cannes International Film Festival(2019), *Focus 2019*, p.50. Number of films screened and market share in 2017 were from Mo, Jonghyeok(2018a), *Yearly Report on Chinese Film Industry 2017*, Busan: KOFIC, p.2.

7) Mo, Jonghyeok(2019), *Country Report on Film Production Resources – China*, Busan: KOFIC, p.12.

China has a relatively high interest in international co-production. With the import quota set on foreign films, the opportunity for foreign films to be screened in China is limited. Besides, while domestic investor takes 43% of revenue from theatrical distribution, importer of a foreign film only gets 17.5% of the same pie, which induces foreign film companies to increase their profit by co-production with a Chinese counterpart. Chinese producers themselves are keen on co-production through which they can learn valuable know-how from overseas partners. In 2017, Chinese producers signed co-production agreements with 21 countries or territories, including Hong Kong, Macao and Taiwan, and the China Radio, Film and Television Group (CRFTG) approved 84 co-production projects. Due to stringent criteria and pre-censorship, about 80% of such projects are with Hong Kong, Taiwan, and Macao. Co-production projects with Hong Kong and Taiwan, in particular, soared with the signing of the CEPA (Comprehensive Economic Partnership Agreement) in 2003 with Hong Kong and the ECFA (Economic Cooperation Framework Agreement) with Taiwan.

Major studios also distribute their own films they produced. Both the state-owned and private production companies also operate distribution as well as talent agency businesses. With the rise of the OTT market, they produce not only films but also TV series and entertainment programs. China Film Group and Huaxia Film Distribution are the two companies that the Chinese government approved a business license for distributing foreign films. China Film Group is state-owned, and it operates three theater chains: China Film South, China Film Digital, and China Film Stellar. The Nationwide Alliance of Arthouse Cinemas (NAAC), which was founded in 2016, plays a critical role in the distribution of independent films. The NAAC distributes films with artistic merits from home and overseas through their nationwide network of NAAC-connected 400 theaters with 600 screens.<sup>8)</sup> The foreign films distributed by the NAAC are not counted toward the screen quota set for foreign films.

Box-office revenue gap among films is also striking. Box-office revenue of 2017 as a whole was substantial, with 15 films recording more than RMB 1 billion (approx. USD 141

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8) Ju, Jeonghyeon(ed., 2018), *Made in Asia 2018*, Bucheon: Bucheon International Fantastic Film Festival, p.25; Li, Huiyi · Jianshang Xu(2018), "Chapter: China" in *2018 AFIS Film Industry Reports*, Busan: Busan Film Commission, p.44.

million). However, the gap was alarmingly wide between those with over RMB 1 billion in revenue and the rest. The screening of independent films is highly limited. NAAC-distributed films are mostly film festival award-winners, which means the NAAC cannot support all the indie films. Naturally, many independent films rely on film festivals and community screenings. Arthouse theaters reserved for independent films include the China Film Archive and Ullens Center for Contemporary Art. Linxiang Screening and Ciyu Screening are the leading community screening organizers.

The online film market is exploding despite government adoption of general examination rules on online programs in 2017. The paying user revenue of the VOD platforms in 2017 stood at RMB 14.08 billion (approx. USD 1.99 million), with a year-on-year growth of 16.7%. As of February 2018, Tencent Video was the top platform with the highest number of paying users, which was as high as 62.59 million.

The web films, which are growing recently, are films with about 60-minute runtime distributed on domestic online platforms. These films saw a rapid growth from 450 films in 2014 – the launching year – to 2,193 in 2016. As of the end of 2017, web films recorded 7.63 billion views and 170 million paying users. The China Netcasting Services Association started implementing censorship in 2017, and the annual number of web film productions dropped to 1,892. However, considering that less than half of all films produced in China are screened at cinemas, the growth of web films is worth tracking. The increasing number of viewers is driving the demand for higher quality, which in turn is pushing up the production budget. Even big names like Huayi, Bona, and Wanda have started producing web films.<sup>9)</sup> With the rise of web films, many studios of varying sizes opened in China to produce film and TV content. The top 10 film and TV studios ranked by Baidu, China's biggest portal, in February 2018 were Hengdian, Shanghai, Xiangshan, Zhongshan, Changying, Beiputuo, Tongli, Xiangyang, Zhenbeibao, and Zhuozhou.

Some of the most notable film schools in China include the Beijing Film Academy, Communication University of China, Central Academy of Drama, Communication University of Zhejiang, Shanghai Theatre Academy, and Nanjing University of the Arts.

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9) Li Huiyi · Jianshang Xu(2018), *ibid*, p.44; Mo, Jonghyeok(2018d), *Current Landscape of Film Studios – China*, Busan: KOFIC, p.1; Mo, Jonghyeok(2018b), *Report on Film Industry in H1 of 2018 – China*, Busan: KOFIC, p.6.

A variety of project markets and labs also opened. The China Film Directors Guild (CFDG) launched the Young Directors Support Program in November 2018, where industry professionals were invited to operate a project market and a lab in parallel. The Beijing International Film Market, which is held during the Beijing International Film Festival, operates the Project Pitches as one of their key events. The short-listed 10 projects are allowed to pitch in front of industry experts from around the world. Of the 10, one project receives the Special Award, and three are recognized as the Projects with Greatest Commercial Potential. Shanghai International Film Festival also runs the SIFF Project within its market. Around 50 projects from around the world enjoy benefits like the SIFF Project Lab and support from major Chinese corporations. FIRST International Film Festival holds the FIRST Financing Forum for the projects selected for the market to match the first-time film projects with potential investors. Pingyao International Film Festival runs the Work-in-Progress Lab for projects by emerging Chinese filmmakers and the Pingyao Project Promotion for script-level projects by up-and-coming Chinese directors under their industry module.

As for film policies in China, since March 2018, the Publicity Department of the Communist Party of China has been overseeing and managing the overall media and entertainment industries, including newspaper, publishing, broadcasting, and film. The China Film Co-Production Corporation (CFCC) has been in charge of international co-productions in China since its foundation in 1979. In 2018, the Online Film Commission of China Film Association (OFCCFA) was established to promote the contents distributed online. It is China Film Group, which is a state-owned company, that manages productions.

Chinese government collects 5% of box-office revenue as the Special Film Fund. The Special Film Fund collection started in 1996 with the enactment of the Administrative Measures on Management of Special Film Fund for Development of Domestic Film Industry and, since December 1996, under the Film Management Ordinance (Article 49).<sup>10)</sup> This Ordinance also stipulates on distribution and screening support for science

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<sup>10)</sup> The Management Ordinance stipulates on the following cases in which film-related projects are to be supported by the Special Film Fund for Development of Domestic Film Industry: ① Filming and production of the key films advocated and confirmed by the state and applying for funding for high-quality screenplays ② Technological enhancement of key production bases ③ Improvement of cinemas and the technologies of screening facilities ④ Advancement of film business in the ethnic minority areas, frontier poverty areas and rural areas ⑤ Other projects in need of support



and education films, documentaries, animations and children's films (Article 50), on preferential policies for the films distributed and screened in the marginalized areas such as ethnic minority areas, frontier poverty areas, rural areas (Article 51), and on obligatory inclusion of screening facilities such as cinemas in the Administrative Area Construction Plan devised by the local government of counties and above (Article 52).<sup>11)</sup> The city of Beijing provides various incentives to the resident companies of the Creative Complex, such as discounts on office lease.

China does not have a film rating system but maintains a censorship system. All film projects must have their screenplay examined at the preproduction phase by both the China Film Administration (CFA) under the Publicity Department of the Communist Party of China and local CFAs. Application can be submitted only by the companies registered as a film producer, and a production permit can be obtained only when the production company already secured the budget. And then, the CFA reviews the final film again when production is finished. During this process, any public agencies pertinent to the content of the film, such as education system, religion, foreign affairs, and police participate in the censorship review and are capable of banning the film from being released.<sup>12)</sup> Another regulation policies related to the film industry are those concerning screening restrictions on imports. Chinese government gives screening permits to 64 foreign films every year. Of the 64, the "revenue-sharing imports" - the films whose Chinese distributor and foreign counterpart share the revenues - are capped at 34<sup>13)</sup> and the "buyout films" - whose Chinese domestic distribution rights are bought for a flat amount with no revenue sharing requirement - are capped at 30. This 30 slots for buyout films go to blockbusters that would contribute to domestic box-office expansion. Since 2016, the authority sometimes gave more permits than the

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11) Mo, Jonghyeok(2019), *Country Report on Film Production Resources - China*, Busan: KOFIC, p.4.

12) *Better Days* (2019), an official selection of Berlinale 2019, was banned from theatrical release by Education Ministry for its subject matter of school bullying, then recently opened in theaters. Li You, "Long-Delayed Film 'Better Days' Gets Surprise Release in China," Sixth Tone, last access October 28th, 2019, <https://www.sixthtone.com/news/1004185/long-delayed-film-better-days-gets-surprise-release-in-china>.

13) For a revenue-sharing import, a foreign distributor can take up to 25% of the revenue; and 14 out of the 34 quota are reserved for IMAX or 3D formats. The exception is applied to some foreign films that won awards at Beijing or Shanghai International Film Festivals in the main competition section, and sometimes the quota is raised by four films.

quota, and, in 2017, over 40 revenue-sharing films and 60 buyout films were released.<sup>14)</sup>

### 2.2.2. Hong Kong

Box-office revenue in Hong Kong has been fluctuating for the last five years, but the 2018 box-office recorded a USD 250 million revenue with a year-on-year growth of 6%, breaking the record of 2016.<sup>15)</sup> Also, in 2018, foreign films were strong in the box-office with top eight highest-grossing films of the year were all Hollywood franchise films; the first and second installments of Korean blockbuster series, *Along with the Gods*, ranked at the 9<sup>th</sup> and 10<sup>th</sup>, which was exceptional.<sup>16)</sup> Of the total 353 films released in 2018, 300 were foreign imports, and 53 were Hong Kong films with a mere 13% market share.<sup>17)</sup> A majority of those 53 domestic films were actually co-produced with mainland China, and eight of the top 10 Hong Kong films were Hong Kong-China co-productions.<sup>18)</sup>

The film industry in Hong Kong is dominated by large companies that do everything from investment, production, distribution, and exhibition. They are also the partners who are enthusiastic about co-production with China.<sup>19)</sup> The regulation on establishing a production company is not so strict, which makes it relatively easy to build one in Hong Kong, but securing investment is quite a challenge unless the project is commercially viable. Most of the mainstream films are action, romance or comedy genre, and production budget varies from USD 400,000 to USD 1.3 million. On the other hand, the budget of Hong Kong-China co-productions is about USD 20 million and sometimes even goes over USD 30 million. It is the director of the film who is at

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14) Li Huiyi · Jianshang Xu(2018), *ibid*, p.43.

15) PwC 2019, 210 in 2014, 255 in 2015, 250 in 2016 and 238 in 2017 (in million USD)

16) Ma, Kevin(2019), "Chapter: Hong Kong" in *Made in Asia 2019*, Bucheon: Bucheon International Fantastic Film Festival, pp.35-35.

17) *Focus 2019*

18) In 2017, of all 65 Hong Kong films, 36 were co-productions with mainland China. Ying, Chu Hoi(2019), "Chapter: Hong Kong" in *2019 AFIS Film Industry Reports*. Busan: Busan Film Commission, p.35; Ma, Kevin(2019), *ibid*, p.35.

19) They are large conglomerates such as Emperor Motion Pictures, Media Asia Films, Bravos Entertainment, and Sun Entertainment. *Operation Red Sea* (2018) was co-produced by Emperor Motion Pictures, and *Monster Hunt 2* (2018) was co-produced by Edko Films, both of which were successful at the Chinese box-office in 2018.

the forefront of securing investment and producing and, if a first-time director is to receive financing, an established filmmaker should be attached as the producer of the project. The number of independent films being produced per year is only around ten even after including the films that received support from the government's First Feature Film Initiative (FFFI). Their budgets are between USD 400,000 to 770,000 based on the figures of the FFFI beneficiaries in 2018. Most of the independent films are low-budget, and the investment resources are scarce. For this reason, many independent filmmakers finance their projects mainly through project markets overseas.

Major exhibitors such as Orange Sky Golden Harvest, United Artists, Broadway, MCL, and AMC Newport Circuit as well as the theater chains owned by key investor-distributors like Emperor and Pegasus screen popular foreign films and mainstream films, and give preference to the films produced by their mother companies. Purely exclusive arthouse theaters are almost non-existent, and even those theaters that claim to be arthouse at heart are usually a subsidiary of a larger company or they screen mainstream films regularly. Though small in size, Louis Koo Cinema (inside Hong Kong Arts Centre) and the Hong Kong Film Archive function as arthouse theaters. Hong Kong International Film Festival, Hong Kong Asian Film Festival, Hong Kong Independent Film Festival, Hong Kong Art Film Festival also help independent films be screened. Online screenings usually take place on such platforms as Netflix, HMVOD, and Now Select. Now TV, an IPTV, also services films.<sup>20)</sup> Many online viewers prefer free content, and sometimes download illegally. On Netflix also, the primary materials are TV contents rather than films, so the level of contribution by online platforms to film markets is rather insignificant.

More than a decade after the signing of the CEPA, a number of filmmakers moved to Beijing to produce large-scale projects. And now rising is a new generation of seasoned talents and emerging filmmakers who were trained at film schools. In 2018, One Cool Film Production produced and distributed a film called *Men on the Dragon*. It was a directorial debut of Sunny Chan, a long-time screenwriter, but an aggressive marketing strategies tapping on word of mouth made this film an impressive hit. Was it not only the 6th highest-

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<sup>20)</sup> The VOD platforms, Viu([www.viu.com](http://www.viu.com)) and Tedium mostly contain TV contents such as Korean TV shows. For this reason, they were not mentioned as online platforms for films.

grossing film of the year but also received 11 nominations and won 2 awards at the Hong Kong Film Awards.

Nonetheless, the overall independent film scene is not so rosy. There is hardly any investment available for the independent filmmakers who want to stand on their own feet free from the intervention of production systems in mainland China or who have yet to assimilate into the mainstream market. Except for the FFFI, the government support on independent films is also minuscule. The Hong Kong Film Development Council, which is operated with the financial resources from the Film Development Fund, lends out money to those films with a high potential of paying back the principal. In such situation, the ifva Awards for film and visual media at Hong Kong Arts Center, Fresh Wave International Short Film Festival run by Hong Kong Arts Development Council, and the FFFI of Hong Kong Film Development Council are practically the big three channels through which the next-generation filmmakers are discovered.

Hong Kong's trade organizations representing various occupations are very active. Those organizations include the Federation of Motion Film Producers of Hong Kong, Hong Kong Film Directors' Guild, Hong Kong Screenwriters' Guild, and Hong Kong Performing Artistes Guild. Film education and training are available at the Hong Kong Academy for Performance Arts, Hong Kong Baptist University, Hong Kong Polytechnic University, City University of Hong Kong, Open University of Hong Kong, and Hong Kong Institute of Vocational Education. CreateHK requires a letter of recommendation from one of the above-mentioned institutions of higher education to be qualified for FFFI programs.

Hong Kong International Film & TV Market (FILMART), which is linked with the Hong Kong International Film Festival, and Hong Kong-Asian Film Finance Forum (HAF) are the two project markets in Hong Kong. The most important market is FILMART currently held with HKIFF, which is organized by the Hong Kong Trade Development Council (HKTDC). FILMART held its 24th installment in 2019. Since its inception in 2000 by CreateHK and the Film Development Fund, the HAF has grown to be a mega-event with over 1,000 industry people flocking in from 35 countries every year, where the shortlisted 30 projects are matched with potential financiers.

Public institutions pertinent to the film industry include the Hong Kong Film

Development Council (HKFDC), Film Service Offices, Hong Kong Film Archive, and Office for Film and Newspapers and Article Administration (OFNAA). Established under the Commerce and Economic Development Bureau in 2007, the HKFDC is in charge of film policies and Film Development Fund operations. The Film Services Office is the go-to office for production and post-production support on projects with location-shoots in Hong Kong. Founded in 1993, the Hong Kong Film Archive houses original prints of Hong Kong films as well as historical materials, and it holds retrospectives, exhibitions, seminars, and symposiums on a regular basis. The OFNAA is a regulatory body that oversees film and media, including the audio-visual contents rating.

Hong Kong government established the Film Development Fund (FDF) in 1999, intending to provide consistent and long-term support to the domestic film industry. The FDF is managed and executed by the HKFDC. The government injected HKD 300 million (approx. USD 38 million) in 2007 to cover the production cost of small-and-medium size films partly. Then, it put on the table additional HKD 200 million (approx. USD 26 million) in 2015 to expand the scope of support to low-budget films. Another injection of HKD 20 million (approx. USD 2.6 million) was made in 2016 to help Cantonese-language films with their distribution and marketing campaigns in the mainland China.

In 2019, in pursuit of boosting the competitiveness of Hong Kong films, HKD 1 billion (approx. USD 130 million) was added. There are three categories of support schemes by the FDF.<sup>21)</sup> The first category is the Film Production Financing Scheme (FPFS). To be eligible for the FPFS, the project must be 80 minutes or longer with a budget of HKD 25 million (approx. USD 3.22 million) or less and needs to have a proper third-party investor already committed to it. Each project can receive investment up to HKD 6 million (approx. USD 770,000) or 40% of the budget, and the investment must be repaid if the film makes a profit.<sup>22)</sup> The director and producer of the project must be credited with at least

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21) Legislative Council Panel on Information Technology and Broadcasting(2018), *Review of and Proposed Funding Injection to the Film Development Fund*, pp.1–7.

22) In 2018, Hong Kong government proposed the Legislative Council Panel on Information Technology and Broadcasting to contribute more funds to the FDF, subsequently raising the cap on production budget to HKD 60 million (approx. USD 7.74 million), so that more mid-size projects can receive the support. It was decided to fix the portion of government financing at 40%, but, at the same time, to raise the per-project maximum amount to HKD 9 million (approx. USD 1.16 million) to boost the competitiveness of Hong Kong films in the market.

two theatrically-released commercial features and, among the director(s), producer(s), writer(s) and lead cast, at least one must be a permanent Hong Kong resident. The second category is the Film Production Grant Scheme (FPGS). The FPGS was established in November 2015 and was operated as a pilot until February 2018. During this period, total approx. HKD 21 million (approx. USD 2.7 million) was given out ten times to 12 projects with a budget of maximum HKD 13 million (approx. USD 1.7 million) – each receiving HKD 2 million (approx. USD 260,000).<sup>23)</sup> Finally, there is “Other Film-related Projects” category, which supports non-profit projects that contributed to the advancement of the film industry. Since 2017 when it was first implemented, a total of 212 projects received support under this category, which accounted for approx. HKD 385 million (approx. USD 7.74 million). Other beneficiaries of the FDF include the HAF, Hong Kong Film Awards, and Hong Kong Asia Awards. The FFFI, which was launched by CreateHK in 2013, also receives funding from the FDF. The FFFI selects only two or three first feature projects per year, and the producer is required to have previously produced at least two features. Of the three finalists, the project(s) in the Higher Education Institution Group (HEIG) with a recommendation from a higher education institution receive(s) up to HKD 3.5 million (approx. USD 450,000) and the project(s) in the Professional Group (PG) with a recommendation from an industry professional receive(s) up to HKD 5 million (approx. USD 640,000).<sup>24)</sup> Those FFFI-supported projects such as Wong Chun’s *Mad World* (2016) and *Somewhere Beyond the Mist* (2017) are highly regarded that they demonstrated the new possibilities for domestic films. Even those projects that did not make it to the final three but were shortlisted for interviews are presented at HAF’s Operation Greenlight program. This program has successfully matched the projects with investors since it was launched in 2014.

There is no support scheme for international co-productions in place except for Hong Kong-China co-production supports under the CEPA. However, the HKFDC,

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23) However, the government once proposed to halt the FPGS, deeming that the 27% approval rate – which fell short of the initial target of three projects per quarter – indicated ineffectiveness of the scheme.

24) Encouraged by the FFFI’s new talent discovery effect, Hong Kong government proposed to raise the support limit to HKD 5 million for HEIG and to HKD 8 million for PG; it also suggested to double the number of project selection from three to six.

through different relevant schemes, encourages foreign projects to be produced in Hong Kong and helps introduce domestic talents and crews to producers overseas. Hong Kong government does not have any tax incentive program for films, nor does it have regulations on importing films or opening a production company in Hong Kong. Only regulation is by the OFNAA that issues a screening permit as well as a rating to a film to be theatrically released. The category III rating – forbidden to any viewer under the age of 18 – is strictly enforced by law.

### 2.2.3. Indonesia

The total Indonesian box-office revenue of 2018 was USD 308 million, a remarkable growth from USD 152 million in 2014, recording an average annual growth rate of 19.3%. Year 2018's total number of admissions was 125 million, a 6.8% growth from 117 million since the previous year. Between 2014 and 2018, the number of domestic films also increased from 115 to 137, growing on average 4.5% every year. Domestic films took up 34% of the market in 2017 and 38.1% in 2018.<sup>25)</sup> The number of screens rose from 962 in 2014 to 1766 in 2018, with an average annual growth rate of 16.4%.<sup>26)</sup> Of the top 10 box-office hits in 2018, eight were Hollywood films, but *Dilan 1990* and *Suzzanna: Buried Alive* each sold over 6.3 million and 3.3 million tickets respectively, and in the end, ranked #2 and #10 in the box-office that year. PwC foresees the Indonesian film industry to continue growing until 2023 since the Indonesian economy is expanding; regulation on foreign investment is easing; the number of screens is on the rise, and the quality of the domestic films is also improving.<sup>27)</sup>

Major studios like MD Pictures, Falcon Pictures, Maxima, and Starvision are dominating the market, with no distributors operating in Indonesia. The production and distribution and marketing budget – estimated to be around USD 500,000 to 700,000 – is mostly secured by the studio. For it is the production companies themselves that deal

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25) PwC 2019 Report: Cannes International Film Festival(2019), *Focus 2019*, p.58.

26) IHS 2019 Report.

27) Prabowo, Sigit(2019), "Chapter: Indonesia" in *Made in Asia 2019*, Bucheon: Bucheon International Fantastic Film Festival, pp.109–110.

directly with the exhibitors for screening, most films are selected by the theater chains unless large studios produce them. Naturally, independent films rarely get a chance to be shown. For this reason, independent filmmakers are joining forces to experiment with a distribution system specialized for independent films, for it is not possible for a producer to access all the dispersed small groups of arthouse audiences around the country. A distribution network called, “Collective” operated by independent producers, started with community screenings of their own films but later expanded their lineup to include other films. Usually, one independent project costs between USD 350,000 to USD 500,000 and, even worse, some indies are produced with a micro-budget of USD 50,000 or less. With no financial support from the government, those films rely on European supports. There are many small-size boutiques that produce one or two films a year, but yearly only five to ten films get to tour around international film festivals.

The oligopoly of three theater chains dominates the Indonesian exhibition circuit: Cineplex21 - the front runner<sup>28)</sup>, CGV Cinemas coming in at the second spot, and Cinemaxx at the third. As of the end of 2018, this three account for 93.4% of all screens. It is worth noting on the activities that have set out for arthouse theaters specializing in independent films such as microcinemas. Most of these cinemas are operated by independent producers themselves. Microcinemas are set up in urban areas - such as Jakarta - by local filmmakers who operate those cinemas with a sense of mission, screening not only feature-length films but also shorts and arthouse films.<sup>29)</sup> Online screening business has garnered remarkable inflow of foreign capital since it opened in 2016. OTT service providers from Malaysia, Hong Kong, and Singapore, like HOOQ, Catchplay, Iflix, and VIU, are currently operating in Indonesia. Most of the OTT providers are servicing as a sub-menu of Telkom - Indonesia's state-owned telecom company. Amazon Prime Video and Netflix failed to soft-land in Indonesia because they were excluded from Telkom's internet services due to content censorship reasons.<sup>30)</sup>

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28) Herwanayogi, Luhki(2019), “Chapter: Indonesia.” In *2019 AFIS Film Industry Reports*. Busan: Busan Film Commission. Cineplex21 has a total of 1,115 screens at 200 theaters in 48 cities nationwide.

29) Bae, Dongseon(2018c), *Small-size Cinemas in Major Countries - Case of Indonesia*, Busan: KOFIC, p.2.

30) Bae, Dongseon(2019a), *Yearly Report on Film Industry by Country 2018 - Indonesia*, Busan: KOFIC, p.3.



Filmmakers in Indonesia point out the problem of shortage in screenwriters and production crew. Joko Anwar tweeted on March 29<sup>th</sup>, 2019 – in time for Indonesia's National Film Day on March 30<sup>th</sup> – saying that the biggest problem in the Indonesian film industry is the lack of skilled actors and crews and, even though the number of films grows every year, the number of professionals does not. Indonesia still lacks vocational schools or filmmaking programs at formal educational institutions that would supply the professional workforce needed in the industry, and the existing institutions are all concentrated in Jakarta, unable to meet the needs outside the metropolitan area. On the other hand, a handful of talented film directors and producers with a global insight are found in Indonesian independent film scene.<sup>31)</sup> Industry professionals have formed diverse trade associations that are active in carrying out exciting programs and making policy proposals. Key producer organizations are the Asosiasi Perusahaan Film Indonesia (APFI), Asosiasi Produser Film Indonesia (APROFI), and Persatuan Perusahaan Film Indonesia (PPFI). The APFI consists of more than ten major producers in Indonesia; the APROFI is an independent producers' association; PPFI is an organization founded by two biggest production companies in Indonesia<sup>32)</sup> that are also former members of APFI. Other industry-related associations include the Indonesian Film Directors Club (IFDC), Indonesian Writers for the Screen (PILAR), and Persatuan Artis Film Indonesia (PARFI) – an association of actors.

AKATARA, the project market organized by the Indonesian government, was launched in 2017 jointly by BEKRAF – the Indonesian Agency for Creative Economy – and Badan Perfilman Indonesia (BPI) – the Indonesian Film Board. The objective of AKATARA is to develop financing models most suitable for the current Indonesian film industry so that a healthy ecosystem is created. AKATARA matches film producers with investors: they organize 1:1 pitching sessions and meetings and select two projects to be screened at the Singapore International Film Festival's Southeast Asian Forum.

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31) Abdillah, Fauzan (2017), "Chapter: Indonesia" in *2017 AFIS Film Industry Reports*, Busan: Busan Film Commission, pp.152–153. Garin Nugroho, Indonesian director, was a member of the jury for Busan International Film Festival's Kim Ji Seok Award, which was newly established in 2017. Other famous names include Riri Riza, Nia Dinata, and Mira Lesmana. Some of the rising filmmakers who are garnering attention are Mouly Surya, Ismail Basbeth, Kamila Andini, and Yosep Anggi Noen.

32) The presidents of MD Ent and MVP are biological brothers.

Production infrastructure is not yet sufficient (i.e., location services, studio, post-production companies). The Ministry of Education and Culture and BEKRAF, in 2017, pushed forward with a plan to establish regional film commissions in Bandung, Yogyakarta, Banyuwangi, Bojonegoro, and Riau.<sup>33)</sup>

Public institutions responsible for film policies are BEKRAF - which is a presidential body, BPI, and the Film Development Center (Pusbang-Film). BEKRAF is one of the agencies that president Joko Widodo launched in 2015 and is mandated with responsibilities concerning the development of a creative economy and formulation/implementation of related policies. It aims to expand the creative business to all corners of Indonesia, not just in Java, and focuses on film, music, and digital utilization among the 16 sub-sectors. BPI was founded in accordance with the Film Act of 2009, and their responsibilities include: operating local film festivals, participating in international film festivals, organizing overseas screenings of Indonesian films, promoting Indonesian locations to foreign producers, providing resources to boost film industry, developing and conducting film researches, and giving financial support. The Film Development Center purports to educate, to build competence, and to realize cultural resilience via films; but, in reality, the Center is mostly in charge of permits, registration, and regulation related to the film business. The Film Censor Institution (LSF) is responsible for film ratings and censorship.

AKATARA was the only program mentioned by Indonesian film professionals when asked about their government's film promotion policies in both written and face-to-face interviews. Practical support schemes for production budget, tax benefits on investment or donation to film projects, or location incentives are not yet in place. However, 50% of the tax levied on film tickets sold in Jakarta is used as incentives to Indonesian film producers.<sup>34)</sup> As for international co-productions in Indonesia, with the opening of the Indonesian film market, BEKRAF and the CNC (Centre national du

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33) Abdillah, Fauzan(2017), *ibid*, p.133.

34) Bae, Dongseon(2019b), *Country Report on Film Production Resources - Indonesia*, Busan: KOFIC, p.3. Amusement tax rates on movie tickets per region are as follows: Jakarta 10%, Yogyakarta 10%, Banyuwangi 25%, Denpasar 10%, Makassar 15%, and Bekasi (5% on domestic films, 10% on imports).

cinéma et de l'image animée) of France signed an MOU for technical exchanges of film production, securing film locations, and establishing production partnership network. The first fruit of this partnership was *Marlina the Murderer in Four Acts* that received investment from the CNC and Cinema du Monde. In addition, as China was active in shooting films in Indonesia, the two countries signed an MOU in November 2017 on promoting co-productions.

The censorship system is maintained. The composition of LSF members is in accordance with statute 33 of 2009 and government order 18 of 2014. The LSF reviews and assesses films and commercials intended for public viewing, approves/disapproves of exhibition of the content, and determines the viewing age range. Any theatrical release must be issued with a screening permit and can be re-examined for the permit after re-editing. The approved film is then rated.

#### **2.2.4. Japan**

The total Japanese box-office revenue in 2018 was approx. USD 2.02 billion, which was third-highest since 2010, though not as high as USD 2.17 billion in 2016 or USD 2.1 billion in 2017. The total number of admissions increased from 161.1 million in 2014 to 169.2 million in 2018, a slow growth with an annual average rate of 1.2%. The film market of Japan – the world's third-largest after the USA and China – has now entered a complete maturity. The annual number of domestic films produced in 2014 was 615. This number fluctuated up and down before it saw an uptick of 613 in 2018. The total number of theatrical releases in 2018 was 1,192, and Japanese films took up 54.8% of the market share, which is quite high. Domestic films performed strongly at the box-office, too: there were three Japanese films in the top 10, and 11 in the top 20 highest-grossing movies that year.

Toho, Shochiku, and Toei, which have been dominating the market after vertically integrating production, distribution, and exhibition arms already in the 1940s and '50s, are still wielding their oligopolistic power. Toho, above all, is unrivaled even among the three: seven out of the 20 top-performing films in 2018 were produced and distributed

by Toho. If the Universal films distributed by Toho's subsidiary, Toho-Towa, are counted toward Toho, nine – almost half – of the top 20 are Toho films. It is no exaggeration to say Toho rules the market. Against this backdrop, mainstream films secure investment through the production consortium. These consortia, composed of film distributors, TV broadcasters, video companies, book publishers, advertising agencies, film studios, etc. – are launched at the very beginning of the project and jointly manage the entire life-cycle of a film from financing to recouping profit.

Independent projects either self-finance or receive help from a foreign partner such as France through co-production. They can apply for government funding managed by the Agency for Cultural Affairs, but the minimum baseline for budgets in the eligibility criteria is so high that virtually no independent projects can use this program. In Japan, JPY 100 million (approx. USD 910,000) is the benchmark to determine if a film is a low budget. Any projects with a budget smaller than JPY 100 million are categorized as low budget films, and other commercial films usually cost between JPY 100 million to JPY 1 billion (approx. USD 910,000 – USD 9.13 million). Typically, the production budget of a mainstream film falls between approx. JPY 300 million and JPY 600 million (approx. between USD 2.97 million and USD 5.5 million). Any film whose budget goes over JPY 1 billion is considered a blockbuster. Independent projects usually cost between JPY 3 million and JPY 30 million (approx. between USD 27,000 and USD 274,000).

Japan's top four distributors are Toho, Toei, Shochiku, and Kadokawa. Toho, Toei, and Shochiku directly operate their own theater chains. Kadokawa, which started film business during the '70s on the foundation of their publishing business, became the 4<sup>th</sup> largest film distributor by acquiring big and small studios such as Daiei Film. Such distribution company usually takes a 10%-20% share in the film production consortium. The consortium commissions this company to distribute the film, and it screens the film at its theater chain. Small and medium-sized companies distribute independent films that would not sell at the multiplexes. Good examples are GAGA that distributed the 2018 Palme d'Or winner, *Shoplifters* by Hirokazu Koreeda, and Asmik Ace that distributed *One Cut of the Dead*. *One Cut of the Dead* was showing at only a few theaters initially but, thanks to good reception at film festivals and fast-spreading word

of mouth, soon expanded its screens and finally became a surprise hit.

The major theater chains include: AEON Cinema (formerly, Warner Mycal Cinemas) with 91 multiplexes, Toho Cinemas with 66, United Cinemas with 45, Toei Theatres with 34, Shochiku Multiplex Theatres with 30, Tokyu Recreation Co. with 18 multiplexes including 109 Cinemas.<sup>35)</sup> Independent films are usually screened at mini cinemas, and recently in Tokyo, Mini Cinema Complexes (a compound word of “mini cinema” and “multiplex”) have opened. The size of the DVD and Blu-ray market in 2017 was JPY 37.03 million (approx. USD 3.38 billion), which was 92.5% of 2016’s figure. The sales market recorded JPY 20.44 million (approx. UD 1.866 billion), while the rental market JPY 16.59 million (approx. UD 1.515 billion) – respectively 94.2% and 90.6% of previous year’s market share – showing a clear downward trend. On the contrary, the fee-based VOD and streaming market was as big as JPY 15.1 billion (approx. USD 1.38 billion), experiencing an impressive 120.2% YoY growth. Annual admissions per capita is 1.3, which is relatively small, considering the size of the market. The general audience is aging, and the mainstream audience has little knowledge about or preference for independent films.

Most of trade associations include not only film industry personnel but also those in the TV broadcasting. Key associations are as follows: the Directors Guild of Japan, Writers Guild of Japan, Japanese Society of Cinematographers, Japanese Society of Lighting Directors, Japan Cinema and Television Sound Creator Association, Association of Production Designers in Japan, Japan Society of Editors, and Japanese Society of Script Supervisors. Also, the Federation of Japanese Films Industry is the federation of eight of those trade organizations currently with almost 2,500 members. Additional organizations include the All Nippon Producers Association, Independent Cinema Guild, which is a non-profit corporation, and Motion Picture Producers Association of Japan (MPPAJ/EIREN).

The four major Japanese studios are all equipped with sound stages and post-

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35) With the slowing of the film market growth during 2012 and 2013 in Japan, the theater chain went through a sweeping restructuring. Warner Mycal Cinemas, which was a joint venture between Warner Brothers and Aeon, changed its name to Aeon in 2013 as Warner Brothers exited its international exhibition in Japan by selling their shares to Aeon. Also, the same year, Kadokawa Multiplex was acquired by United. Yoshio, Kakeo(2013), “Chapter: Japan” in *Focus on Asia 2013*, Busan: KOFIC, p.80.

production facilities. Mainstream films are mostly film adaptation of best-selling novels, comics, TV shows, or animation. It is because the Japanese ancillary market is quite sophisticated and also because the production consortium system has grown so strong that the general trend of risk-avoiding has intensified over the years. On the other hand, independent projects usually have original screenplays. Both *Shoplifters* and *One Cut of the Dead* that stoked hope in the indie community in 2018 were all original screenplay.<sup>36)</sup>

The education institutions in Japan that provide film education and training include the Department of Cinema at Nihon University's College of Arts, Film Department at Tokyo University of the Arts, and the Theatre and Film Arts program at Waseda University's School of Humanities and Social Sciences. One of the key project markets in Japan is the Japan Content Showcase (JCS) at TIFFCOM - Tokyo International Film Festival's sidebar film & TV content market. The JCS also helps boost business networking for music content via the Tokyo International Music Market (TIMM) and animation contents via Tokyo International Anime Festival Autumn (TIAF).

The Japan Film Commission, endorsed by the Ministry of Economy, Trade and Industry, Agency for Cultural Affairs, and Japan Tourism Agency, is a federation of about 120 regional film commissions that provide various location services. In particular, Tokyo Film Commission launched the Tokyo Location Box (TLB) in 2001 as a one-stop-shop service center for all location shoots in Tokyo.

Most notable film policy institutions in Japan are the Agency for Cultural Affairs under the Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry, Ministry of Internal Affairs and Communications, and Japan Foundation under the Ministry of Foreign Affairs. The Agency for Cultural Affairs is responsible for promoting creative and filmmaking activities, protecting copyrights, formulating policies for international co-productions, and carrying out related projects. Some of the major projects of the Agency include the support schemes for domestic films, international co-productions, and short films to nurture young filmmakers. The

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36) Sozo, Teruoka(2019), "Chapter: Japan" in *Made in Asia 2019*, Bucheon: Bucheon International Fantastic Film Festival, p.63. To be technically correct, there exists an original play that was a source of inspiration for *One Cut of the Dead*.

Intellectual Property Strategy Headquarters and UNIJAPAN operate under the Ministry of Economy, Trade and Industry. The Intellectual Property Strategy Headquarters devises the Intellectual Property promotion plan and implements the policy projects intended to protect IPs in partnership with the Ministry of Internal Affairs and Communications. UNIJAPAN, in connection with the Agency for Cultural Affairs, implements the international co-production support schemes and gives assistance in localization and promotion of Japanese films by supporting Japanese film exports through financially assisting the dubbing and presentation costs. The Ministry of Internal Affairs and Communications conducts research studies on cultural content export such as Japanese films co-produced with a foreign partner and implements export promotion projects. Naturally, the Ministry supports the policies on the prevention of piracy and the protection of Japanese IP overseas.

The Japan Foundation either holds its own Japanese film screening events or provides an indirect support to the organizer of such promotion events such as Japanese Embassies. In particular, during the Japan-ASEAN Summit 2013, the Japan Foundation launched the Asia Center as a base for the WA project that aims to open a new chapter of strengthening intra-Asian cultural exchanges.<sup>37)</sup> The Asian Center operates three categories of grant programs. The Grant Program for Enhancing People-to-People Exchange supports the human exchanges among the foreign organizations based in Japan; the Grant Program for Promotion of Cultural Collaboration supports creative joint projects among the organizations based in Japan and those in ASEAN countries; the Asia Center Fellowship Program supports transnational research studies and projects by Japan or ASEAN-native cultural experts and professionals.

The ACA Film Awards of the Agency for Cultural Affairs honor filmmakers under the Cultural Affairs Documentary Film Category and Film Merit Category for their outstanding contribution to the relevant field. The ACA also sometimes holds forums during the Tokyo International Film Festival. Furthermore, the ACA supports domestic films from development to completion of the project based on its Culture and Arts

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37) The Japan Foundation Asia Center has been sponsoring SEAFIC, a film development lab in the Southeast Asian region, USD 500,000 a year. According to some industry experts, the Japan Foundation Asia Center's sponsorship model is relatively nationalistic.

Promotion Subsidies. Every year approx. JPY 500 million - JPY 600 million (approx. USD 4.6 million - USD 5.5 million) is spent to give out JPY 1 million - JPY 2 million (approx. USD 9130-USD 180,000) per project. Approximately 190 projects received this support from 2015 to 2018. The ACA also has had the co-production subsidy in place since 2011. The fund initially amounted to JPY 280 million (approx. USD 1.9 million); however, the amount was pushed up to JPY 310 million (approx. USD 2.8 million) in 2017. The subsidy cap of JPY 50 million (approx. USD 460,000) also jumped to JPY 100 million (approx. USD 910,000). Projects need to obtain UNIJAPAN Certificate to be eligible for this co-production subsidy, which is open to the live-action and animated feature film projects being co-produced by Japan with one foreign country or more.<sup>38)</sup>

## 2.2.5. Republic of Korea

In time for the 100<sup>th</sup> commemorative year of Korean cinema, a Korean film *Parasite* won the Palme d'Or at Cannes Film Festival and the Academy Award for Best Picture. Year 2019 was a record-breaking year for the Korean film market in general: total 226.68 million admissions, KRW 1.914-trillion (approx. USD 1.71 billion) box-office revenue, and film industry-wide revenue of KRW 2.5093 trillion (approx. USD 2.20 billion).<sup>39)</sup> There were five films - including two Korean films - that sold more than 10 million tickets, and the 4.37 annual admissions per capita also topped the world rankings. However, at the other end of the scale, monopolization of screens and market

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38) Additional review criteria are as follows: the Japanese producer needs to invest 20% or more of the total budget; the foreign producer needs to invest either at least 5% of the budget or at least JPY 10 million (approx. USD 0.1 million); the creative contribution made by a Japanese citizen or permanent resident must score three points or more. Additional elements, including the intent of the work, filmography of the production company, crew's level of expertise, and level of popular appeal, are considered during the review. The co-production subsidy is paid out after the completion of the film. The qualifying expenditure of the project must be minimum JPY 100 million (approx. USD 1 million), and all the expenses must be incurred within the fiscal year of the subsidy. The expenditure can be born outside Japan. The subsidy given out to each project amounts to 20% of the qualified expenditure, up to JPY 50 million (approx. USD 0.5 million). If the qualified expenditure comes to be JPY 300 million (approx. USD 3 million) or more, maximum JPY 100 million (approx. USD 1 million) can be paid out in subsidy. Han, Sunhee, Eunjung Yoo, Woody Kim, Myungchan Kang and Kyungtae Kim(2019), *Study on Globalization and Policy Directions on Korean Film Productions*, KOFIC Research Paper, pp.85-87.

39) KOFIC, in their *Korean Film Industry 2019*, estimated the real total revenue of Korean film industry to be KRW 6.1772 trillion (approx. USD 5.20 billion) in 2019, using the numbers in their *Survey Report on Film Industry*, as the movie theater revenues from advertising and concessions which traditionally had not been counted toward the total industry revenue and also to find the non-theatrical and export revenues of a film which are not collected by KOBIS (Korea Box Office Information System). KOFIC(2020), *Status & Insight: Korean Film Industry 2019*, p.4.



imbalance worsened. It is because Korean multiplexes are slating in mostly the highly-budgeted or highly-anticipated films more than ever before. In 2019, on average, 70% of the daily showings were taken up by three films, and the cumulative audience share of the top 10 performers in the box-office reached 46.2% – a 10.9%p increase from a year before. Korean films took up 51% of the market, and, of the remaining 49%, 94.8% were American films, and only 1.3% of the audience saw Korean independent films in 2019.

Korean film market experienced explosive growth during the 1990s when large conglomerates like Samsung and Daewoo entered the market, and, after the 2000s, the market was stabilized in terms of the investment and distribution conditions. The current market leaders are the major four – CJ E&M, Lotte, Showbox, and Next Entertainment (NEW) – who are investors as well as distributors. Most recently, Acemaker Movieworks and Merry Christmas joined the circle of mini-majors such as Megabox and Little Big Pictures. In addition, Hollywood studios like Warner Brothers are making direct investments on Korean projects through their local production arm.<sup>40)</sup> The distribution market has been relatively evenly divided among large Korean enterprises, but the power of Hollywood studios is still strong. For example, Disney became No. 1 distributor in the Korean market with a 27.3% share in 2019 after their mega-hits such as *Avengers: Endgame* and *Frozen 2*. Most notable independent film distributors include Cinema Dal, Indieplug, and Indiestory, which are small in size. There is also a case like CGV Arthouse, which is an independent film distribution arm under a large conglomerate. Recently emerged are the distributors specializing in shorts such as Central Park Films, Funnycon, Film Dabin, and Rainy Day Pictures. There is also a rising interest in community screenings.

In 2019, of the total 647 theatrical releases on a real basis<sup>41)</sup>, 199 were Korean films. The average production budget was KRW 2.9 billion (approx. USD 2.50 billion) based on

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40) Another Korean branch of Hollywood studio, Twentieth Century Fox Korea, also financed Korean films starting with Hong-jin Na's *The Yellow Sea* (2010) followed by such films as *Running Man* (2013) and *The Age of Shadows* (2016). However, as of 2019, Fox Korea had withdrawn its Korean film investment and distribution business, and the Walt Disney Company later acquired the company in October 2019.

41) Any film screened at least 40 times during that year or screened on at least one screen all-day-long for seven days is considered a "theatrical release on a real basis." KOFIC(2020), *ibid*, p.15.

the real releases, and KRW 10.13 billion (approx. USD 8.60 billion) based on commercial releases.<sup>42)</sup> The genres that garnered the most admissions were in the order of action, drama, comedy, and animation. In 2019, total of 1,368 independent films were produced, 120 of which were feature-length. Korean independent features took up 19.7% of all the 609 Korean features produced in 2019. Among the theatrical releases on a real basis, the average budget of the 120 independent films was KRW 370 million (approx. USD 320,000).

There are about 3,000 screens all around Korea as of 2019. Almost 50% of those screens are concentrated in Seoul Metropolitan Area that includes Seoul, Incheon, and Gyeonggi region. 79.3% of all theaters and 93.7% of all screens are multiplexes, and CJ CGV, Lotte Cinema, Megabox, and CineQ are categorized and counted in the box-office system as the four major multiplexes in Korea. Of all 76 arthouse theaters, 34 - almost half - are located in Seoul, while some cities like Ulsan, Sejong, and Jeju do not have any arthouse theaters.

The digital online market for films has been growing at a fast rate recently, and the total market revenue reached KRW 509.3 million, up by 7.5% year-on-year and accounting for 20.3% of the entire industry revenue. 79.7% of the digital online market revenue was from TV VOD and 18.3% from Internet VOD. Young audiences today prefer watching movies on online streaming services such as IPTV, Netflix, or Watcha. In 2020, Korean media giants joined the OTT competition by launching platforms like Wavve and Seezn.

As of 2018, the total number of people working in the film industry stood at 30,878. Of this, 20,985 - or 68% - were in exhibition, 11.5% in film development or production, and 8.6% in film production support. Trade associations in the industry are quite active. The Producers Guild of Korea (PGK), founded in 2008, advocates the rights of producers in the industry. The Directors Guild of Korea (DGK) was established in 2013 to protect the rights of film directors and raise their collective voice on various issues at hand. Other associations include the Korea Broadcasting Actors Union

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42) The net production cost of KRW 3 billion is the benchmark for a commercial film. There were 45 such commercial films released out of the 190 real theatrical releases in 2019. KOFIC(2020), *ibid*, p.125.

and the Cinematographers Guild of Korea (CGK). Some of the notable independent film organizations are the Association of Korean Independent Film & Video (KIFV), Independent Film Association in Korea, and Busan Independent Film Association (BIFA). Today, as more film professionals also work on TV productions and there are now many exchanges happening between Film and TV, blurring the border between those two industries. Currently, there are increasing cases of film production companies participating in TV show productions.

Many private universities in Korea provide degree programs in filmmaking or media studies, incubating many Film & TV professionals all across the industry sectors. Some of the key national and public film education institutions are the Korean Academy of Film Arts (KAFA) run by KOFIC, Busan Asian Film School (AFiS) commissioned by Busan Metropolitan City to the Busan Film Commission, and the School of Film, TV and Media at Korea National University of Arts under the Ministry of Culture, Sports and Tourism. The Namyangju Film Studio Complex is one of the major film studio complexes in Korea. This complex was built in 1997, including six sound stages, and was once the biggest of its kind in Asia. With the rising problems such as facility dilapidation and limited space, there is a plan to construct a new complex in Busan to replace the Namyangju one. The Busan Film Studio Complex, which is planned to be built by 2023, is supposed to house sound stages capable of accommodating blockbusters as well as a Support Center and backlots with outdoor sets.

The Korean Film Council (KOFIC) is the government body in charge of film promotion policies. KOFIC was formerly the Motion Picture Promotion Corporation of Korea (MPPC) established in April 1973 under the Ministry of Culture and Tourism. The MPPC later, in May 1995, was changed into a filmmaker-led body, KOFIC. The nation-wide campaign to defend the screen quota of domestic films against Hollywood imports reignited the public interest in Korean cinema and it ultimately made a decisive nudge on establishing today's KOFIC. KOFIC has in place a broad spectrum of support schemes for the film industry across the board. In particular, as part of the Comprehensive Plan for Korean Film Promotion since 2000, KOFIC set up an investment fund by creating an investment cooperative association with private financiers, and many production

companies grew their business with the help of this fund.

During the 2000s and 2010s, KOFIC focused on the quantitative growth of Korean film market and stabilization of the support schemes; and now, in 2020, the Council's emphasis is on improving the creative capabilities of the Korean film industry. For this, KOFIC is focusing on supporting the development of and investment in small and medium-size films of innovation and on revitalizing the production and distribution of independent films. Creating industry conditions that ensure fairness and mutual growth is a new challenge, since large investor distributors and leading studios are becoming more and more dominant in film production scene. KOFIC, in addition, is helping Korean films go abroad by allocating grants to not only major film festivals such as Busan International Film Festival, Bucheon International Fantastic Film Festival, and Jeonju International Film Festival but also less-known film festivals of all sizes.

The Korean Film Archive (KOFA) aims to contribute to the amelioration of the Korean public enjoyment of culture by collecting, conserving, and recreating the values of Korean films. The KOFA not only conducts key activities such as collecting, restoring, and preserving Korean films and related materials as their primary projects, but also makes research publications on Korean film history, provides online services to help appreciate Korean films, and operates the cinematheque. Since 1996, to ensure the preservation of motion pictures as cultural assets, the Korean government enacted a law that requires a hand-over of a copy of all films produced in Korea to the KOFA to be managed appropriately. KOFA's own catalog of materials and library are open to the public. It also runs a variety of public education programs.

Regional Film Commissions in Korea are equally active. Starting with the Busan Film Commission in 1999, other regional Film Commissions are currently up and running in Seoul, Gyeonggi, Incheon, Jeonju, Jeonnam, and Gangwon regions. Those Commissions not only have in place location support programs but also run film support schemes based on regional funds. Furthermore, they each operate a film and media center where local screenings and education programs are held. In particular, the Busan Film Commission has gone beyond borders to conduct global-scale projects such as the FLY Project and established a non-profit organization AFCNet - a network of local Film

Commissions across Asia.

Since the early 2010s, KOFIC had been actively supporting international co-production projects via Co-production Development Support Program, Co-production Incentive Program (financial support), and Korean Film Business Center in Beijing. However, after 2018, most of these programs have closed down except for some schemes for co-production with China. Some of the forms of co-production attempted by Korea are as follows: co-production and financing of a foreign film that purchased a Korean IP, co-production of a Korean project with foreign capital investment, multilateral or bilateral co-production and financing, and participation in the production of a foreign local film. Despite the Korean Wave and growth of the sheer market size, challenges still remain with the sluggish film export and not-so-active international co-productions. Yet, the uptick in Korean IP export is an encouraging sign.

In comparison to other Asian countries, there are not many success cases of Korean independent films co-produced with a foreign partner, or even meaningful attempts. This is particularly remarkable in the case of multilateral or bilateral co-productions and financing, which is hardly existent in Korea, unlike around the world where many independent producers choose this form of co-production. Despite it all, Korean independent producers point out that, to revitalize international co-productions, KOFIC needs to revamp their support schemes inside out to be aligned with the new landscape and objectives, and ultimately re-launch the support programs. Furthermore, they insist that, if Korean independent films were to have a meaning co-production partnership with Asian countries, KOFIC needs to remove the existing hurdles that have dragged down past international co-productions such as restrictions on crew composition, investment ratio, and production expense execution ratio. Even though Korea does not impose many regulations on the film industry, the screen monopoly problem still persists. Censorship was abolished with the launching of the Korea Media Rating Board (KMRB). None of the members of the classification committee is affiliated with the government, and the committee autonomously makes the decision after free discussions.

## 2.2.6. Malaysia

The total box-office revenue in Malaysia augmented from USD 170 million in 2014 to USD 221 million in 2018, growing by 6.8% on average every year.<sup>43)</sup> During the same period, the total number of admissions also increased from 61.80 million to 77.31 million, with an annual average growth of 5.8%. As of 2018, there were 1,094 screens at 156 theaters in Malaysia. The market as a whole has been expanding, but the top 10 box-office hits are mostly Hollywood films, and the 54 domestic films released in 2018 took up only 5.8% of the market.<sup>44)</sup> However, three Malaysian films stand at the 5<sup>th</sup>, 6<sup>th</sup>, and 7<sup>th</sup> in the box-office top 10 chart of 2018.<sup>45)</sup>

In Malaysia, the two main TV broadcasting networks – Astro Shaw and Media Prime – invest, produce, and distribute films and the major theater chains – Golden Screen Cinemas (GSC), TGV, MBO, and mm2 – also distribute films. In particular, mm2, whose mother company is Singapore-listed mm2 Asia, is the only company in Malaysia that vertically integrated production, distribution, and exhibition. Malaysian film market is divided into segments by ethnicity and language – the Malay, the Chinese, and the Indian. Such division is the biggest hurdle that prevents the industry from advancing. *Ola Bola* (Chiu Keng Guan, 2016) and *Polis Evo 2* (Joel Soh and Andre Chiew, 2018) made an exemplary precedent that a film can go beyond such division and becomes a nation-wide hit. Mainstream films are financed and produced by major studios. Independent producers with Malay-language projects can take out a long-term low-interest loan from the government through the Bank Simpanan Nasional (National Savings Bank) if the screenplay passes the review by FINAS (the National Film Development Corporation Malaysia).<sup>46)</sup> The budget of a mainstream film is usually USD 500,000 – USD 1 million, but there are several exceptional cases where the budget rose to as high as USD 4 million.

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43) PwC 2019 Report

44) IHS 2019 Report

45) Othman, Kamil(2019), "Chapter: Malaysia." in *Made in Asia 2019*, Bucheon: Bucheon International Fantastic Film Festival, p.119. *Munafik 2* (Syamsul Yusof, Horror, USD 9.36 million), *Hantu Kak Limah* (Mamat Khalid, Comedy, USD 8.99 million), *Paskal: The Movie* (Cheng Kin-Kwok, Action, USD 7.44 million)

46) Muthalib, Hassan Abd(2013), "Chapter: Malaysia." in *Focus on Asia 2013*. Busan: KOFIC, p.109.

About 10 Independent films come out every year, and they usually are drama genre made in the Chinese language. Their budget often falls in the range of USD 200,000 - USD 500,000, which co-financed with the co-producing partner in Chinese-language countries such as Singapore or China.

The major theater chains - GSC, TGV, MBO, and mm2 - not only distribute and exhibit films but also import and distribute foreign films. They sometimes distribute a foreign import exclusively to their theaters only. The problem that hurts Malaysian filmmakers the most is not this monopolistic practice of distributors. The biggest problem is that Malaysian films do not last even the first week of release depending on the box-office performance, even though exhibitors are required to screen films at least for one week. Malaysian independent films are in a more dire situation. For this reason, some indie films recently choose to go online directly rather than facing an uphill battle in the exhibition circuit. The Malaysian filmmakers who were interviewed for this study raised their voice that Malaysia needs fresh distributors that think outside the box and are capable of taking creative distribution and marketing strategies suitable for each unique film.

Arthouse theaters are scarce in Malaysia. The foreign embassies of European countries - most notably, France - and Japan hold screening events at major theater chains, but these events are not without limitations of time and space. Astro A-List, a premium online channel of Astro Shaw, shows a wide array of critically-acclaimed international and regional arthouse films as well as Southeast Asian co-productions, trying to raise awareness on film diversity but its influence is minimal. There are several film festivals that showcase a variety of films. First of all, there is the Freedom Film Festival (FFF), which held its 17th festival in 2019. Being a human rights documentary and social film festival, FFF screens short and feature-length documentaries, holds panel discussions, and also runs film grants for emerging directors. Sponsored by FINAS, Malaysian International Film Festival (MIFFEST) was launched in 2016. Even though the most significant portion of its selection is Chinese films, it showcases quality films from all around the world. ASEAN International Film Festival (AIFFA) had its 4th installment in 2019 in Kuching of Malaysian Borneo, screening some of the most prominent films

from the ASEAN region.

Netflix is leading the OTT service market. Most of the films that fared well theatrically are also serviced on Netflix that now has accumulated about 20 Malaysian films in their library since they started showing Malaysian films in 2017. Other platforms successfully operating in Malaysia include Amazon Prime and iflix, which was launched by Malaysia's Catcha Group in 2014. With the OTT ocean getting redder and redder, the platforms are now scrambling to secure original content by producing their own. Many of those contents are Asian co-productions in which Malaysia sometimes takes part.<sup>47)</sup> Mubi, a Malaysian streaming platform specializing in films, was launched in Malaysia in July 2019 and is now making inroads to the Southeast Asian market. Mubi has two different VOD channels operating in Malaysia: one is Mubi Dekho that services Southeast Asian films in Hindi and Bengali languages, and the other is Mubi Sinema that screens films from "Nusantara" – a local expression that describes Malaysia and Indonesia.

Malaysian filmmakers argue that, to realize a true diversity in Malaysian films, what they need is the films that transcend ethnic, linguistic, and religious barriers and have a critical eye on society. The mainstream industry is inclined toward high-concept and genre films. Most of the time, those films are original screenplays based on real events. Sometimes novels, short films, or TV series are adapted into feature films. In Malaysia, the production permit from FINAS is required for any film or TV content to be produced. To obtain this permit, all the members of the cast and crew need to be members of a union or association designated by the government. The production company that hires non-union members is ultimately fined. Nonetheless, many film crews are not part of such unions.

Malaysia's most notable art education institution is Aswara (Akademi Seni Budaya Dan Warisan Kebangsaan) that provides degree programs for each major in screenwriting, directing, and cinematography. Multimedia University (MMU) opened in 1999 in Cyberjaya Multimedia Super Corridor (MSC) – which benchmarked the Silicon Valley

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47) Netflix's *Marco Polo* (2015) was an American TV series shot in Malaysia, and *The Ghost Bride* (2020) is a TV series, some of which episodes are directed by Yuhang Ho and Shio Chuan Quek. HBO Asia's *Folklore* (2018), which started to air on Astro Channel since May 2019, also has an episode directed by Yuhang Ho. In addition, Malaysian directors TJ Lee and Jason Chong directed the entire season of *The Bridge* (2018) co-produced by Viu and HBO Asia.



in the US. The school itself benchmarked Stanford University and has an animation program. An MMU alumnus and filmmaker Tan Cui Mui's Da Huang Pictures founded the Next New Wave initiative. Between 2015 to 2017, with the FINAS sponsorship, the Next New Wave held three workshops for the first-time directors and, later, the participants also came to the Busan Film Commission's FLY Workshop. Currently, the Next New Wave workshops are suspended due to a financial problem. One of the key project markets or contests is mm2's Movie Makers Awards, where the final top three feature projects get to sign a contract with mm2 for investment, production, and distribution. There are film contests being held on online platforms like iflix and HOOQ. Kuman Pictures, a production house founded by filmmaker Amir Muhammad which focuses on low-budget horror-thriller films, launched a horror screenplay contest jointly with Fysk in 2019. Over 120 projects were submitted to this contest, where the winner receives MYR 20,000 (approx. USD 5,000) cash prize as well as 1% of the film's income on all platforms.

In 2015, FINAS opened the Creative Media Pitching Center (CMPC) at Kuala Lumpur Central to establish themselves as a one-stop-shop for various services from pitching to government support. FINAS held non-regular pitching events such as Sesi Pitching Dana Mikro (micro-financing pitching session) at this location in 2017.

One of the vital studio facilities in Malaysia is Iskandar Malaysia Studios (IMS, formerly Pinewood Iskandar Malaysia Studios, PIMS). *Marco Polo* (2014), an epic-scale Netflix original series, was shot at IMS. Yet, the far distance from Kuala Lumpur and the exorbitant rental cost prevented local producers from using this facility. There are quite a number of post-production companies that deliver high-quality output in Malaysia. However, independent producers cannot afford these costly services. Instead, they either first hire freelancer editors, sound designers, or colorists and then ask the post-production companies for the preview or ask their sponsors for help. Or, sometimes, the crew of the independent project only pay for the usage fee of the facility and take on the post for themselves.

FINAS has been in charge of film policies and such major projects as film funds since its foundation in 1982. Malaysian filmmakers hope to see FINAS's industry support

policies become more consistent and reformative. However, the frequent policy changes that follow every regime change restrain FINAS from accumulating expertise. The filmmakers also point to the fact that the benefits of FINAS support programs are not shared equitably. The Malaysia Digital Economy Corporation (MDEC) was established to oversee the MSC. MDEC operates a support fund and provides support to multimedia enterprises in the MSC and, in particular, digital contents like games and animations are eligible for their special support schemes. The Film Censorship Board is a public body under the Ministry of Home Affairs, and the Board is mandated with film censorship and rating. The Creative Content Association of Malaysia (CCAM) is an association of leading creators who, backed by government sponsorship, promote Malaysian contents to overseas markets and TV networks.

Since 2005, FINAS has been enforcing the compulsory screening scheme (a.k.a. *Wajib Tayang*) intended to protect the domestic film industry. *Wajib Tayang* requires exhibitors to screen a Malaysian new release in the biggest screening hall for at least 14 days. Nonetheless, if the seat occupancy of the film falls short of 30% of the biggest hall for the first four days of the release, the film can be moved to a smaller hall. Then, if the seat occupancy of the film does not exceed 15% of the small hall, the film can be taken out of the theater. Most Malaysian filmmakers expressed their concern over this regulation, saying that, in reality, this scheme does not actually protect the local films because the occupancy baseline is too high. When a production company applies for this scheme, FINAS convenes a deliberation committee to decide whether or not to issue the permit. Since 2010, any domestic films can apply for *Wajib Tayang* as long as they are subtitled in Malay.

The Film in Malaysia Incentive (FIMI) - Malaysia's film location incentive program - supports producers in and out of Malaysia that have international co-production projects. In a nutshell, the scheme supports the projects that meet their eligibility criteria by rebating 30% of the Qualifying Malaysian Production Expenditure (QMPE). To be qualified as an international co-production, one of the producers must be a Malaysian citizen, and the foreign production company must shoot the film in Malaysian locations or do the post-production in Malaysia. The rebate amount is capped to QMPE of MYR 5

million (approx. USD 1.2 million) for production (including post) or MYR 1.5 million (approx. USD 400,000) for post-only, and these expenditures must be incurred inside Malaysia.

The censorship and rating systems regulate the film industry in Malaysia. The movie ratings are divided into three categories: U – for general audiences, P13 – parental guidance required for audiences under the age of 13, and 18 – for audiences of the age 18 and over. Industry professionals have a serious concern over this rating system. Appeal can be made for a re-examination when there is an objection to the rating, but this process involves the expensive USD 700 review fee and a new DCP, which is excessive to the producers.

### 2.2.7. The Philippines

The total box-office revenue in the Philippines augmented from USD 143 million in 2014 to USD 190 million in 2018, recording a 7.4% average annual growth rate.<sup>48)</sup> During the same period, the total number of admissions grew by 2.4% on average each year from 78.25 million to 85.94 million.<sup>49)</sup> As of 2018, a total of 425 films were released on 920 screens at 172 theaters all around the country, 95 of which were domestic films. The market share of the Philippine films was 29%, and three of the top 10 highest-grossing films of the year were Philippine films. In 2018, more than 130 domestic films were produced, which was a considerable jump from 50 in 2014, which was due to the fact that digital filmmaking became more prevalent in the country. Overseas Filipino Workers (OFW) form a strong foothold for Philippine films to be exported overseas. As the Middle East countries lifted their 30-or-more years of the import ban on foreign films in 2019, the Philippines now has approximately 2 million potential audiences in this new market awaiting for the films from their mother country.<sup>50)</sup>

Major studios in the Philippines both produce and distribute films, and most of the

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48) PwC 2019 Report.

49) IHS 2019 Report.

50) "Chapter: The Philippines," in *PwC 2019 Report*. For this, a new distributor named, Gulf Film Entertainment, started a business aiming to distribute in the Middle East at least 12 Philippine films a year, starting in 2019.

large theater chains are operated by retail giants and real-estate companies that own shopping malls. Those studios nurture their own pool of actors to sustain a stable star system and often exchange the stars among themselves to ensure box-office success. Those big exhibitors and Hollywood studios come together to pre-book the release dates in the theaters around the country. Naturally, it is virtually impossible for a domestic film to secure a screen if not through a large distributor. Major Philippine studios that finance, produce, and distribute mainstream films include Star Cinema, Viva Films, Regal Films, and GMA Films. Being a subsidiary to ABS CBN, the Philippines' biggest TV network, Star Cinema is unrivaled in terms of the size of the lineup and revenue, producing most of the large-scale mainstream films. Star Cinema also owns Star Magic Talents, a talent agency that manages many of the Philippines' most sought-after stars in Film and TV. Most of the mainstream films are romance, comedy, drama, and horror films with a budget between USD 100,000 and USD 400,000. Independent films usually cost between USD 40,000 and USD 100,000. Today many independent films are financed locally through various financial resources such as production support programs of film festivals like Cinemalaya and QCinema as well as the grant programs of the Film Development Council of the Philippines (FDCP), and internationally via project markets at various international film festivals and co-production deals.

One of the notable aspects of the Philippine film industry is the revitalization of regional films. The filmmakers based in the big three islands - Luzon, Visayas, and Mindanao - are striving to make films that tell stories of the region and reflect the unique characteristics of the local communities. Currently, the industry is concentrated in Metro Manila in Luzon but the FDCP is implementing regional film industry development policies with a vision that Cebu, Bacolod, and Iloilo - old capitals of the film industry in the past - have potential to grow to be an industrial center as influential as Manila. Backed by such efforts, now more films with unique local sensibilities are being produced.

In the Philippines, a film producer needs to book the film release date at the Booking Committee, whose members are the National Cinema Association of the Philippines (NCAP) and large studios. The Policies and Guidelines on the Theatrical Release of Films

in Philippine Cinemas<sup>51)</sup> announced in January 2019 recommend that release dates are booked at least three months in advance and that, as for Philippine films, only those that booked the release dates during pre-production stage can be released in theaters. On the other hand, the guideline recommends allowing all films to run for at least seven days. For the first three days of the release, the theater assignment is guaranteed but, between the 4th and the 7th day of the release, screens are only guaranteed according to the quota previously agreed by the distributor and exhibitor. For this reason, the slates for release dates are occupied by the Hollywood films and large domestic studio films, which is starkly unfavorable to independent films in many ways. Sometimes local films that do not meet the admissions and revenue quotas are taken out of the theater within one day. More often than not, independent films come to sign an unfair distribution deal with a large studio. In this situation, many independent producers bring their projects at the pre-production level to international film festivals and market their films in a different way to find a distributor.

Despite the circumstances that make it difficult to see diverse domestic films, the audience base for independent films has been gradually growing which in turn helped boost microcinemas in Metro Manila. TBA Studios, one of the leading production companies, opened Cinema '76 Film Society with 60 seats in Manila in 2016; and this was the origin of microcinemas. Microcinemas normally accommodate 70 to 80 seats and they open in neighborhoods with a big college student population. Some of them are founded by industry professionals such as film companies or directors in the form of a cooperative. The monthly admissions is between 500 to 5000.<sup>52)</sup>

Online platforms are also performing well. The active subscribers of VOD platforms were 3.2 million in the 1st quarter of 2019. The total revenue of VOD platforms also grew exponentially from USD 78 million in 2017 to USD 108 million just in the first quarter of 2019. However, the slow internet speed still continues to be the hurdle to the expansion of streaming services. Key platforms are Netflix, iflix, iWant, and HOOQ.

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51) "Policies and Guidelines on the Theatrical Release of Films: Memorandum Circular No. 2019-01," FCDP, last access October 15<sup>th</sup>, 2019, <http://www.fcdp.ph/memorandum-circular-no-2019-01>.

52) Osorio, Gale(2018), "Chapter: the Philippines," in *2018 AFIS Film Industry Reports*, Busan: Busan Film Commission,

The Philippine cinema underwent the first golden age in the '50s and, even during the political instability in the '70s, continued to make alternative films to be presented to the world and has accumulated expansive assets during this process. Such legacy is still alive with such contemporary filmmakers as Brillante Mendoza, Lav Diaz, and Erik Matti. The Filipino filmmakers mentioned about the energy - of the perpetual struggle to find a national identity - that penetrates the history of oppression and pain of colonization through the heritage of Philippine stories.

Some of the key film associations include the Philippine Motion Pictures Producers Association (PMPPA), Directors Guild of the Philippines, Inc. (DGPI), Screenwriters Guild of the Philippines (SGP), and Actors Guild of the Philippines (KAPPT). The Film Producer Society (FPS) founded by independent producers in 2017 is sponsored by the Cultural Center of the Philippines. The FPS successfully released *Kita Kita* (2017) employing creative marketing strategies and also successfully held the Cinemalaya 15<sup>th</sup> Year Celebration Event.

University of the Philippines Film Institute (UPFI) offers diverse degree programs in film as well as a variety of educational programs and workshops to bring more visibility to Philippine cinema. The digital film program at De La Salle-College of Saint Benilde is an undergraduate program that provides a comprehensive curricula on film production. The Asia Pacific Film Institute is a private institute located in Quezon City that offers a year-long film production course. Cinemalaya Institute for Writing, Directing and Production Management was founded by Cinemalaya Foundation that organizes The Cinemalaya Philippine Independent Film Festival. This institution offers a trimester course in filmmaking.

Government agencies and film festivals offer various programs that are an amalgamation of a project market, lab, and contest. The First Cut Lab launched by the FDCP in 2019 is led by Matthieu Darras, former Artistic Director of TorinoFilmLab and programmer at Torino International Film Festival. The First Cut Lab is promoting Philippine films to travel to European festivals. The Southern Voices Film Lab (SOVOLAB) organized by the FDCP is a film development lab for the Mindanao region, and the outcome is presented in front of financiers through pitching events. The FDCP Project

Market is a side event of the annual FDCP Film Industry Conference, in which projects from the Philippines and other ASEAN countries are presented to be matched with investors as well as co-producers in and outside the Philippines. The Cinemalaya Philippine Independent Film Festival gives USD 20,000 to the ten independent filmmakers whose films are invited to the competition section and also screens their next film in the following festival. The Cinema One Originals (C1) is a subsidiary pay-TV channel of ABS CBN. During a film festival with the same name, C1 runs the Cinema One Plus program that provides each five feature films with PHP 2 million (approx. USD 20,000) and the Cinema One Currents program that offers PHP 1 million (approx. USD 20,000) to each ten new feature projects. The QCinema International Film Festival organized by the Quezon City Film Development Council (QCFD) – the Philippines' first city-level film development council – offers some grant programs. One is a feature film production grant: each of the selected three projects receives PHP 1.5 million (approx. USD 30,000) and premieres in the Asian Next Wave section, festival's main competition. Similarly, a PHP 500,000 (approx. USD 10,000) post-production grant is given to three feature-length documentary projects, which would also premiere in the DocQC competition.

Some of the primary studio facilities in the Philippines are Big Foot Studio in Cebu and Shooting Gallery Studios whose partner is CMB Film Services Inc., a large production equipment rental and crew dispatch service-provider based in Quezon City in Metro Manila. There are post-production labs specialized in CG, DI, digital transferring, and restoration such as Central Digital Lab and EDGE Manila Creative Corporation (EMC2). Also, there are sound companies like Wildsound Studios. The number of clients is on the rise as more films being produced, but the services are rather costly that not many independent filmmakers can use those facilities.

The FDCP is the key policy institution in the Philippines pertinent to the film industry. The Experimental Cinema of the Philippines (ECP), founded in February 1982, was revamped and replaced in 2002 by the FDCP. It is a government-mandated body responsible for film policies and support schemes. The Cultural Center of the Philippines (CCP) was built in the '60s as a large-scale performing arts center under the Marcos regime then changed its identity to a government institution in charge

of all forms of art such as performing arts, visual art, literature, and media art. CCP Media Arts under the CCP has been operating the CCP Independent Film and Video Competition, the oldest independent film and video contest all around Asia, since 1987. The National Commission for Culture and the Arts (NCCA) is a presidential body that devises policies for the overall culture and arts and runs the National Endowment Fund for Culture and the Arts (NEFCA).

The FDCP's most well-known support program is the tax rebate program for the quality local films. Each city in the Philippines charges an amusement tax at different rates on all movie tickets sold at theaters. The Cinema Evaluation Board (CEB) under the FDCP classifies a Philippine film into three grades according to the quality - Grade A, B, and No Grade. A-graded films are awarded with 100% amusement tax rebate and B-graded films with a 65% rebate. The FDCP's policies are two-tracked: one is production support, and the other is distribution and screening support. The production support is executed by giving grants to such events as Sinesaysay Documentary Lab and Showcase (for documentaries), Cinemarya Women's Film Festival (for women films), We Are Intramuros (for short films), and Animation du Monde (for animations), as well as by holding FDCP Film Talks that encompass various education programs such as film labs and Film Industry Conferences (FIC). The FDCP helps domestic films be distributed and screened by giving grants to such events as Metro Manila Film Festival (MMFF), Cine Lokal, and the cinematheque. MMFF, whose history goes back to 1975, is the oldest film festival in the Philippines. This star-studded film festival is held for two weeks during the Christmas season, screening only the domestic films pre-selected by jurors, which includes some of the most commercially-successful titles of the year. The FDCP also organizes a film festival called the Feast of Philippine Films (Pista Ng Pelikulang Pilipino, PPP), to help ensure new quality genre Filipino films, including those with an independent spirit, are screened in regular theaters. PPP runs for one week, and it had its 3rd installment in 2019. PPP already had successfully taken root in 2018, making USD 2 million in box-office revenue. Each selected film receives from the FDCP a USD 30,000 production grant as well as an in-kind support worth approximately USD 20,000



from CMB Film Service, the biggest camera equipment company in the Philippines.<sup>53)</sup>

Even though the FDCP does not have any particular co-production support schemes, the Philippine Film Export Services Office (PFESO) established by the FDCP supports foreign producers who want to shoot on Philippine locations. The PFESO plans to develop by 2020 a location incentive program called Film Philippine Incentive Awards. Censorship in the Philippines is not so problematic that producers from many Southeast Asian countries tend to prefer co-producing with the Philippines.

### 2.2.8. Singapore

In Singapore, the total box-office revenue declined from USD 161 million in 2014 to USD 138 million in 2018, decreasing by 3.8% on average every year. During the same period, the total number of admissions also diminished from 21.56 million to 19.60 million, decreasing annually by 4.3% on average. This is because many young audiences had migrated to online platforms accessed via their smart devices. On the other hand, the total number of screens increased from 233 to 276, with a 4.3% average annual growth rate. The total number of domestic films produced in 2018 was 13. This number was up from 11 the year before, but only a half of 26 in 2014. Top ten highest-grossing films were all Hollywood films, and the domestic films took up a mere 1.7% of the market.<sup>54)</sup> Nevertheless, the Singaporean film industry is still going full steam ahead. Jack Neo's *Wonderful! Liang Xi Mei* was a box-office hit garnering approximately USD 1.29 million, and Yeo Siew Hua's *A Land Imagined* became the first Singaporean film to win the Golden Leopard at the Locarno International Film Festival. Both in the mainstream and independent scenes, Singaporean films continue to make accomplishments.

mm2 Entertainment, Singapore's most prominent film studio, acquired Cathay Cinemaplexes in 2017 and became the one and only company that has vertically

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53) Valenzona, Carlo Camilo Valenzona(2019), "Chapter: the Philippines" in *2019 AFiS Film Industry Reports*, Busan: Busan Film Commission.

54) Cannes International Film Festival(2019), *Focus 2019*, p.58.

integrated all film business sectors.<sup>55)</sup> With a small domestic market, mm2 is expected to play an essential role in expanding the market, for it opened a number of branches in Asia, including Malaysia. Investment in mainstream films is mostly led by mm2 Entertainment, Clover Films, Aurora Media Holdings, Silver Media Group, and Hub Media Group. In particular, Aurora Media Holdings operates a USD 30-million fund for media contents, and they launched the Southeast Asia Audiovisual Association (SAAVA) with film financiers in Singapore and Indonesia. The SAAVA holds the Southeast Asian Film Financing Project Market every year.

Singaporean independent producers pursue international co-production, tapping on the government funding by the Singapore Film Commission and securing some foreign grants. Most popular film genres are in the order of action, comedy, drama, and horror. Mainstream films normally cost USD 700,000 - USD 1.5 million and independent films USD 300,000 - USD 600,000. It is not easy to make a film under USD 300,000 due to the high labor cost and equipment cost.

Most of the active distributors in Singapore except Hollywood studios are also exhibitors: Golden Village's Golden Village Pictures, Shaw Theatres' Shaw Organization, and Cathay-Keris Films of Cathay Cinemplexes - an mm2 subsidiary. Key independent film distributors in Singapore are The Projector, which also operates an arthouse theater, and Anticipate Pictures that opened in 2016. There are five theater chains in Singapore. The big three are: Golden Village with 105 screens, Shaw Theatres with 77, Cathay Cinemplexes with 64. The other two smaller ones are Filmgarde with 20 screens and WE Cinema (Eng Wah Cinema) with 10.<sup>56)</sup>

Of those theaters that screen independent films, The Projector stands out with its strong identity. It opened in 2014, taking three screening halls on the 5th floor of the historic Golden Theatre, which used to be the biggest all around Singapore and Malaysia when it opened in 1973. The Projector is an arthouse theater that caters to the trend-sensitive moviegoers with a sophisticated sense of taste. The Asian Film Archive

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<sup>55)</sup> mm2 established a vertically integrated corporate structure first by acquiring Cathay Cinemplexes in 2015, followed by Lotus Fivestar Cinema in 2016.

<sup>56)</sup> IMDA(2018), *Overview of Singapore Cinema*, p.2..

opened the Oldham Theatre in 2019, which also screens the Singaporean films that are rarely shown in regular theaters as well as a wide array of independent films. Being a high-tech city country, Singapore is thoroughly-connected with internet networks, thanks to which online consumption and streaming services are well advanced. The most notable service provider is Netflix.

Some of the leading trade associations related to the film industry include the Screenwriters Association with 61 members, Association of Independent Producers (AIPRO) with 25 companies, and Singapore Association of Motion Picture Professionals (SAMPP) founded in 2018 and now joined by 30 members. The Film Community SG even has a history of pressuring the Media Development Authority (MDA) to revive a program that the MDA canceled; in early 2000, the MDA seized their program of supporting Singaporean filmmakers attending international film festivals and the Film Community SG lodged a protest and eventually brought the program back.

Singapore has a variety of film schools that offer degree programs, but lacks in a producer's track that fosters creative capability and film business competencies in distribution and marketing. Some of the pivotal film labs include the Southeast Asian Film Lab (SEAFL) operated by the Singapore International Film Festival (SGIFF). Sponsored by Thailand's Purin Pictures, the SEAFL helps develop the first film project of a Southeast Asian director or screenwriter. The participants undergo a six-day program of feedback-giving and training with three mentors as well as special lecturers. The Most Promising Project is selected after a pitching session in front of industry professionals. The winner is awarded at SGIFF's Silver Screen Awards. The Southeast Asia Film Financing Project Market, (SAFF Project Market) organized by SAAVA is also worth noting for its endeavor. This market belongs to the Asian Television Forum and Market, a sidebar event of the Singapore Media Festival that is held in parallel to SGIFF.

Infinite Studios is the only film studio facility and service-provider in Singapore. Formerly known as Infinite Frameworks, which used to only specialize in post-production and animation, Infinite Studios added production services under the leadership of the current CEO, Mike Wiluan. The Studios now houses soundstages not only in Singapore and but also two more in Batam, Indonesia. Wiluan has been producing Singaporean

filmmaker Eric Khoo's films since 2005. He established Godzilla Pictures Label together with Khoo's Zhao Wei Films and once collected ghost stories of Southeast Asia to be used as a film material. The facilities are used dominantly for TV series.

All the agencies involved in film policies are under the Infocomm Media Development Authority (IMDA). The IMDA is a government body established with the aim of making Singapore an international media hub mandated with responsibilities such as producing unique Singaporean contents, discovering and fostering talents, and creating an environment beneficial to the industry. The Singapore Film Commission (SFC) was founded in 1988 as an organization under the IMDA, and its Director wears another Director's hat of the IMDA reporting directly to the IMDA Chairman. The SFC focuses on creating, operating, and managing film funds as well as running talent incubation programs. The Board of Film Censors (BFC) under the IMDA is in charge of film rating.

The SFC, with its diverse assistance programs, has been supporting the production of feature and short films as well as film events. It also helps local filmmakers bring their films abroad. The Film Production Assistance (P-Assist(Film)) program aims to encourage more Singaporean films to be produced and foster talents in key film professions. The New Talent Feature Grant (NTFG) is offered to the first or second feature project with a runtime of 70 minutes or longer made by filmmakers who are Singapore citizens or permanent residents. The recipients of this grant are selected twice a year every March and August, and they receive a support up to SGD 250,000 (approx. USD 180,000) or 100% of the qualifying costs, whichever is lower. The Southeast Asia Co-production Grant (SCPG) was created in 2019 for Singaporean producers with a minimum 5-year experience in film or TV productions. The SCPG is for feature-length projects with minimum 70-minute runtime. In 2019, the year of its launch, the SCPG was given only to narrative films. Each selected project receives up to SGD 250,000 (approx. USD 180,000) or 50% of the budget, whichever is lower. The SFC also has the Short Film Grant (SFG) in place to help new directors with their second project.

The SFC allows the SCPG to function as a seed money to raise funds to cover the remaining budget of the recipient project. According to the SFC, such support schemes are related to Singapore's vision to become the Southeast Asian hub of co-productions.

The current sources of funding are from the IMDA and the Ministry of Finance. Any particular tax benefits or incentives on location shooting in Singapore are not found, nor are the support programs on marketing or distribution. The Board of Film Censors (BFC) is capable of banning a film from theatrically released. The censorship system is now evolving into a film rating system, but the standards are still quite restrictive.

### 2.2.9. Taiwan

The total box-office revenue of Taiwan in 2018 was USD 287 million, an increment from 2014's USD 264 million growing on average by 2.1% every year. As of 2018, the total admissions are 27.5 million, with 822 screens.<sup>57)</sup> From 2014 to 2018, the number of domestic films produced in Taiwan grew from 53 to 71, recording an average annual growth rate of 7.6%. This number in the 2000s started from around 20 but jumped to over 60 between 2016 and 2017, and broke 70 in 2018. Naturally, the market share of domestic films increased from 0.2% in 2001 to 17.5%<sup>58)</sup> in 2018. Despite this, there was no Taiwanese film in the top 10 box-office hits in 2018.

Taiwanese filmmakers mostly rely on government funding to make their films. The government is operating a comprehensive line of funding schemes for all stages of a film, from screenplay development, production, distribution to marketing. Taiwanese financial institutions and corporations tend to invest in a project that already received government grants, which makes the competition for government funding even more fierce. There are a number of financial institutions in Taiwan, such as CTBC Bank and Fubon Financial Holding Co., and they not only invest in film projects but also support the incubation of aspiring filmmakers. Major exhibitors - namely Vie Vision Pictures, Ambassador Theatres, and Showtime Cinemas - are heavily involved in financing and distribution. These theater chains take up more than 80% of the market. It is told that, in 2019, another theater chain Shin Kong Cinemas, established a film investment company called Four Musketeers of Cinema, with an investment from a

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<sup>57)</sup> PwC 2019 Report

<sup>58)</sup> Cannes International Film Festival(2019), *Focus 2019*, p.58.

fund operated by the National Development Council (NDC). There are increasing cases of films financed by crowdfunding, but they usually are either films with a particular issue, films of nationalistic themes, or socially high-profile films. Nevertheless, it is difficult to receive funding without famous names attached to the project, such as big stars or directors. As even the established filmmakers rely on government funding, the competition is so intense that it is extremely difficult for independent producers or first-time directors to raise money. Most regular films cost approximately TWD 30 million (approx. USD 980,000) in Taiwan, and TWD 50 million (approx. USD 1.64 million) is considered mid-budget. The budget of a blockbuster usually lands between TWD 80 million (approx. USD 2.62 million) and TWS 100 million (approx. USD 3.28 million).

Distribution and exhibition of a film is dominated by the three majors - Vie Vision Pictures, Ambassador Theatres, and Showtime Cinemas. Vie Vision Pictures owns 16 multiplexes with 162 screens, eight of which are IMAX, five are 4DX, and four are Gold-class screens; Ambassador Theatres operates 108 screens at 12 multiplexes; and Showtime Cinemas has 139 screens at 12 sites. Hollywood studios' Taiwan branches wield a strong influence on the distribution circle that it is not rare for domestic film producers entrusting their films to those Hollywood studios to distribute. Big-budgeted films usually set aside a portion of their budget for P&A spending, which is later executed by the distributor. Those not-so-lucky ones seek corporate sponsorship to cover their P&A cost. Genre films, in particular, need a formidable marketing campaign, and, in some cases, a mainstream film's P&A cost becomes as big as the production cost.

Taiwanese independent films are screened at several principal arthouse theaters. The most notable theater is the SPOT-Taipei Film House in Taipei, which is operated by the Taiwan Film and Culture Association. This theater serves as one of the venues of film festivals such as the Taipei Golden Horse Film Festival as well as other types of film events, including Q&A sessions with independent filmmakers. Taiwan's most prestigious film festival is the Taipei Golden Horse Film Festival mentioned above, which was founded in 1980, and it has greatly influenced the overall Chinese-language film industry. The Taipei Film Festival is regarded as the prelude to the Golden Horse. It screens a variety of films under the Taiwan Film Awards section and International New

Talent Competition, which showcases and awards prizes to the first and second feature films of non-Taiwanese filmmakers. In addition, it is worth noting the growth of OTT platforms. In 2016, an American platform Netflix and a Chinese platform iQIYI started servicing in Taiwan, and CATCHPLAY was also launched by a domestic company, CATCHPLAY Media Holdings Group. As a handful of hidden gems screened only at film festivals go online, such as *Us and Them* (2018, Rene Liu), a Netflix original, the OTT platforms are gaining ground day by day.

Censoring scripts was abolished in 1982, ushering in the era of Taiwanese New Wave spearheaded by Taiwanese auteurs such as Edward Yang, Hou Hsiao-Hsien, and Tsai Ming-Liang who raised the profile of Taiwanese films in the world stage. Today many Taiwanese producers are moving to mainland China for a larger market and higher production value. Paradoxically, Chinese-language film producers are leaving China due to stringent censorship and burdening production cost, and choose to take refuge in Taiwan as an alternative. Netflix is producing Mandarin-language original TV series, *Nowhere Man*, *Triad Princess*, *The Ghost Bride*, in Taiwan. HBO Asia also is making the follow-up series on *The Teenage Psychic* and a new sci-fi series *Dream Raiders* in Taiwan.

It is highly encouraging to see seven first-time directors' films ranked within the top 10 box-office hits in 2018. Current Taiwan independent films boast both artistry and creativity, most notably in Hsiao Ya-Chuan's *Father to Son* and Wi Ding Ho's *Cities of Last Things*, which shed light on the fast-changing sceneries of the times by telling stories of people trying to escape from their fate.<sup>59)</sup> Many stories that Taiwanese films tell are rooted in the indigenous folk culture, history, and literary works. In particular, historical events become an excellent source of inspiration as well as novels of which screen adaptations are often produced.

Some of the critical trade organizations in the film industry include the Directors Guild of Taiwan, Script Writers Association of R.O.C., Chinese Film Association, Chinese Society of Cinematographer, and Motion Picture Producers Association of

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59) Hsiang, Yi Fei(2019), "Chapter: Taiwan" in *Made in Asia 2019*, Bucheon: Bucheon International Fantastic Film Festival, p.52.

Republic of China. The Golden Horse Film Project Promotion (FPP) is the most well-known film market in Taiwan. The FPP is held during the Golden Horse Film Festival for three days. It aims to match Chinese-language projects with appropriate production crew, financiers, and distributors and also promote international exchanges between filmmakers in Taiwan and those from overseas. The Taipei Film Commission (TFC) organizes the Filming Taipei Screenplay Competition, accepting entries of screenplays whose backdrop is no other than Taipei. The TFC was founded at the end of 2008 and has been providing comprehensive production support such as location scouting, tax incentive program, traffic control, and publicity services. Following the footsteps of Taipei, Yilan in the east, Taichung in the center, Kaohsiung in the south, and Taoyuan in the north of Taiwan, each now has its own film commission.

Taiwanese public agencies responsible for the film industry can be categorized into central government-level agencies and those under local administrations. As for the central agency, there is the Bureau of Audiovisual and Music Industry Development (BAMID) under the Ministry of Culture. The BAMID oversees the film, TV, radio, and music industries and has the final authority in terms of reviewing domestic contents and approving foreign imports. In addition, the BAMID offers such supports as talent incubation, production, new technology, marketing, and film festival support. The Taiwan Film Institute (TFI) was established in 2014, replacing the former body called the Chinese Taipei Film Archive founded in 1978. The TFI protects, organizes, and conserves Taiwanese film cultural assets, raises public awareness and publicizes on domestic films, and collects materials of film and filmmakers. It restores five to ten classic films every year and also organizes the Taiwan International Documentary Festival. In addition, in line with the government's New Southbound Policy, the TFI works with its counterparts in Singapore, Indonesia, Malaysia, Myanmar, and Cambodia on exchanges of resources and industry personnel.

The Taipei Film Commission (TFC) was founded in 2007 as a subsidiary body to the Taipei Culture Foundation to provide assistance to film production and location shooting in Taipei. The TFC fosters new talents in film via Taipei Film Academy and operates the Production Subsidies for local film productions as well as the Taipei Film



Fund for international co-productions. The annual budget of the Production Subsidies is TWD 25 million (approx. USD 820,000), and the subsidies are offered to narrative film projects with minimum 70 minutes of runtime that feature Taipei as either the subject or backdrop of the film. The Taipei Film Fund with TWD 30 million (approx. USD 990,000) annual budget provides funding to international co-production projects with Taiwan. This fund is open to narrative or documentary film project with a 75-minute runtime or longer whose credited crew includes a Taiwan citizen. The Review Committee of the Fund decides the total amount of funding up to 49% of the project budget. In 2018, the TFC launched the International Audiovisual Production Investment Project with TWD 30 million (approx. USD 990,000) annual budget. This is a new program that invests in international co-production projects - not grants. The eligible projects are those international co-productions that are to be either filmed in Taipei, or whose core cast and creators are Taiwan citizen, or whose post-production or special effect work is done in Taiwan.

The government-level film industry promotion policies include those regarding tax incentives, new talent incubation, subsidies, and location programs for foreign films. The tax benefits given to film projects are managed by the Government Information Office (GIO). Taiwanese government fosters the next generation of filmmakers by providing financial support to film festivals such as Golden Harvest Film Festival - where new talents are discovered - and also by finding up-and-coming screenwriters through the NFC's Best Screenplay Award program that gives the first prize of TWD 600,000 (approx. USD 20,000), second TWD 350,000 (approx. USD 12,000), and third TWD 100,000 (approx. USD 3000).

The most notable film regulation is the restriction on imports from mainland China and the film rating system. Taiwan has a screening quota on films from mainland China: only ten can be distributed annually. In the beginning, the screening permits were given out on the first-come-first-served basis, based on the submission order of the permit application. Still, every year the number of applications increased consistently that now permits are given out by lottery since 2013. However, the industry has been criticizing this system every year since the Ministry of Culture eased the quota regulation in 2014.

The Ministry now gives an exception to a Chinese film if the film either won an award at Cannes, Berlin, Venice, or at the Academy Awards, or won the Best Picture or Best Director Award at the Golden Horse Film Festival.<sup>60)</sup>

### 2.2.10. Thailand

The total box-office in Thailand increased from USD 129 million to USD 182 million between 2014 and 2018, growing on average by 9% every year.<sup>61)</sup> Big-name exhibitors are aggressively expanding their screening capacities, and more Thai films are being produced each year bearing fruit with box-office successes, which all are driving the growth of the size of the Thai film industry. During those four years, the total admissions rose from 33.48 million to 35.02 million, with screens growing from 961 to 1,278 nation-wide.<sup>62)</sup> As of 2018, a total of 50 Thai films were released, which is a meaningful increment from the 30 during 2016-2017. This number is now approaching to break the record of 60 in the heyday. The market share of domestic films in 2018 was 18.3%, an impressive surge from 2017's 10%,<sup>63)</sup> while two of the top ten highest performers in the box-office were local films.

Major film studios are also main financiers in Thailand. GDH559 often develops their own projects; but, most of the time, majors such as Sahamongkol Film and Transformation invest in a project pitched by the director, who is usually as the producer of the project. To minimize the risk, those studios often seek investment partners, one of which is South Korea's CJ E&M.<sup>64)</sup> Most recently, Netflix and HBO started to invest in the original series. The most common genres of Thai films are romantic comedy, comedy, and horror. Regional films, especially the region of Isan in the North East of

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60) *Liberty Times Net*, last access October 31st, 2019, <https://talk.ltn.com.tw/article/breakingnews/1926467>.

61) "Chapter: Thailand," in *PwC Report*.

62) *IHS 2019*

63) Cannes International Film Festival(2019), *Focus 2019*. 2018 data from Donsaron Kovitvanitcha(2019), "Chapter: Thailand" in *Made in Asia 2019*. Bucheon: Bucheon International Fantastic Film Festival, p.73.

64) Chagasik, Maenum(2019), "Chapter: Thailand" in *2019 AFIS Film Industry Reports*, Busan: Busan Film Commission.

the country, is quite active in film production. As the audience in the region prefer films in their dialect, the success of *PBTB E-san Indy* (2014) made a meaningful precedent for more films. However, many films that followed did poorly in the box-office, and today the budget usually stays safely within the THB 30 million – THB 40 million band (approx. USD 1 million – USD 1.3 million).

Thai independent producers finance their projects through the grant from international film festivals overseas as well as international co-production deals. There is no specific government support schemes on independent films as of yet. However, in 2017, the Purin Foundation launched the Purin Pictures at Busan International Film Festival in South Korea. Headed by Anocha Suwichakornpong and Aditya Assarat who are both director and producer themselves, the Purin Pictures is at the forefront in extending the much-needed helping hand to independent producers in Southeast Asia where government support is insufficient.<sup>65)</sup> In Thailand, the budget of an indie project varies tremendously from approx. THB 400,000 to THB 30 million (approx. USD 10,000 – USD 1 million). While famous names such as Apichatpong Weerasethakul can finance his big-budgeted project with the foreign investment made by his co-producing partner, most independent producers normally spend THB 3 million – THB 8 million (approx. USD 100,000 – USD 270,000) on production and, in some worse cases, make films with a micro-budget.

In Thailand, the distribution rights are divided into three urban zones – Bangkok, Chiang Mai, Pattaya – and the other six rural zones. These six zones are the eight provinces around Bangkok, Northern and Central zone excluding Chiang Mai, Northeastern, Eastern, Southern, and Nonthaburi zones. Distribution and marketing are led by studios. Excluding urban areas like Bangkok, the regional distribution is done by regional distributors' flat deals, which makes it challenging to track accurate box-office numbers. Most independent films are distributed directly to exhibitors. Sometimes M

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65) The Purin Pictures has been receiving entries for their production and post-production fund programs every spring and autumn. Feature-length projects in Southeast Asia are eligible for these programs, and each of the selected projects receives USD 30,000 for production and USD 50,000 for post-production. Some of the notable recipients are Mouly Surya's *Marlina: The Murderer in Four Acts* (2017) from Indonesia, and Phuttiaphong Aroonpheng's *Manta Ray* (2018) and Nontawat Numbernchapol's *Doy Boy* (2019) from Thailand. Rakkatham, Nutthapon (2017), "Chapter: Thailand" in *2017 AFIS Film Industry Reports*, Busan: Busan Film Commission, p.381.

Pictures or Sahamongkol Film distribute indie films, but the commission is so high that it is difficult to make a profit. Recently, there have emerged some distributors that specialize in independent films, notably HAL, Doc Club, and Mosquito Film Distribution.

Key exhibitors in Thailand are Major Cineplex and SF Cinema. Major is the market leader with 710 screens at 131 theaters in 51 cities as of 2017.<sup>66)</sup> Even though the screen quota system is legislated to protect domestic films, This quota is not strictly observed in reality. If a Thai film does not perform during 1-2 days of release, the number of screening days is cut down or, even worse, the film is taken out from the theater right away. Typically, independent films are released on ten screens or less located in urban areas such as Bangkok, Chiang Mai, and Pattaya.

Netflix is leading the OTT market. The number of Thai subscribers is not disclosed, but estimated to be at least 200,000. Recently, Netflix invested in GMM Grammy and started making original content. There are other platforms such as Amazon Prime, HOOQ, PrimeTime, iflix, AIS PLAY, Hollywood HDTV, MONOMax, True IPTV, and DooNee, but they are not as successful as Netflix.

Thailand historically has been one of the most sought-after shooting locations of foreign films since the 1920s, which brewed a pool of high-skilled production crews over the years. Some vulnerabilities of Thai cinema are found in storytelling and screenwriting capabilities. Mainstream film professionals are interested in international co-productions, but held back because of the language barrier and uncertainty on whether or not they will be able to maintain the control over the project. They are considering a producer from mainland China as a partner, still there are no deals signed as of yet. Today there are only co-production cases with Cambodia, Laos, and Myanmar, and the films all did poorly at the box-office. On the other hand, independent producers are quite familiar with international co-productions. They collaborate mostly with European countries that have various funding programs and support co-productions.

There are some industry associations related to the film, but they are not as active.

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66) Thipsena, Supatcha(2018), "Chapter: Thailand" in *2018 AFIS Film Industry Reports*, Busan: Busan Film Commission, p.212..

The National Federation of Motion Pictures and Contents Associations (MPC, formerly the Federation of National Film Association of Thailand) was established in 1990 to advance the Thai film industry and ensure active exchange and development of technology, and information sharing. Other associations include the Film Production Services Association, Thai Entertainment Industry Association, Thai Motion Picture Industry Association, and Thai Film Director Association.

The Thai Film Foundation runs a workshop on film criticism and screenwriting. The SEAFIC is a screenplay development lab of Southeast Asian projects and is sponsored by the Purin Foundation. There are a number of small production workshops. One of the most notable ones is HAL Film School, run by an independent film distribution company, HAL Distribution. Thai film community raises concern that Thailand still lacks in an education and training institution that nurture film professionals. The only pitching event in Thailand is the Thai Pitch that is held at the Cannes Film Festival organized by the Secretariat office of the National Film Board and the Ministry of Culture. Every year, the selected three projects are flown over to Cannes with the related expenses covered by the organizer. The producers pitch their projects at the Thailand pavilion, looking for international co-production partners. Some of the films that were presented at the Thai Pitch are Anucha Boonyawatana's *Malila: The Farewell Flower* (2016), Taiki Sakpisit's *The Edge of Daybreak* (2017), and Patiparn Boontarig's *Solids by the Seashore* (2018).<sup>67)</sup>

The post-production capability of Thailand is relatively strong. Film studio facilities include Acts Studio, Workpoint Studio, Stu Baan Rig, Moonstar Studio, Centerpoint Studio, and The Studio Park Thailand. Some of the key post-production service providers are Kantana Post Production, White Light Post Production, One Cool Production, and G2D.

There is no single agency that is in charge of the film industry. The National Film Fund, for which filmmakers and producers can apply, is jointly managed by the Secretariat office of National Film Board, Office of the Permanent Secretary (OPS), and Ministry

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67) Patrik Frater, "Cannes: Thai Pitch Returns to Launch Three Titles," *Variety*, last accessed October 18th, 2019, <https://variety.com/2019/film/asia/cannes-film-festival-thai-pitch-three-titles-1203191381/>

of Culture. The Fund was initially set up to support pre-production, production, post-production, and film events; but, the general direction has changed to supporting film events and education & training instead of giving assistance to individual projects because of unintended issues. Now the Fund is mostly used to support the Thai Pitch.

The Thailand Film Office belongs to the Tourism Authority of Thailand under the Ministry of Tourism and Sports and the Office gives assistance to foreign producers with shooting in Thai locations. The Thai Film Foundation, striving to advance the film culture in Thailand, holds the Thai Short Film and Video Festival as well as classic film screenings in collaboration with the Thai Film Archive. The Thai Film Archive was originally installed under the Fine Arts Department, but became a public institution in charge of Thai film collection and conservation.

Thailand's film promotion policies focus more on location services to foreign producers rather than assisting domestic films. As tourism is the most significant source of income in Thailand, location shoots do contribute to tourism income. The only tax incentive program related to the film is also applied to location shoots. Since 2017, the 15% tax rebate is given to a project that spends minimum THB 50 million (approx. UDS 1.6 million) within Thailand. There is a rather strict censorship and rating system which is governed by the Film Censorship Board (FCB). The film rating system was adopted with the revision of the Film Act in 2008, but censorship still remains. Most sensitive topics in terms of censorship are politics and religion. The FCB's censorship is executed in accordance with the Film Act enacted in the 1930s, and it can ask the producer to delete the objectionable scenes to be released, and also permit or ban a film.

### **2.2.11. Vietnam**

The Vietnamese film market is growing rapidly. The total box-office revenue increased from USD 106 million in 2014 to USD 142 million in 2018, recording an average annual growth rate of 7.6%.<sup>68)</sup> During the same period, the total admissions augmented from

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68) "Chapter: Vietnam," *PwC 2019 Report*

35.71 million to 48.36 million at an average growth rate of 7.9% every year<sup>69)</sup>; and the number of screens exploded from 351 to 919, recording a whopping 27.2%. In 2018, 41 Vietnamese films were produced, 36 of which were theatrically released, taking up about 25% of the market.<sup>70)</sup> Of the top 10 box-office hits, three were domestic films: *Sieu Sao Sieu Ngo* ranked No. 2, *My Mr. Wife* No. 8, and *Lat Mat 3: Ba Chang Khuyet* No. 10. Vietnamese film community is concerned about the fact that only the top seven in the box-office broke even in 2018 and that many films disappointed the audience with old-fashioned stories and styles.<sup>71)</sup> CJ, Lotte, and Thien Ngan Galaxy are the majors that are vertically integrated in terms of financing, production, distribution, and exhibition of films. BHD is doing business in both distribution and exhibition.

In the past, Vietnamese films were financed by TV production companies or mass media; however, the source of finance has diversified into the government, investor producer companies, funds, sponsorship, crowdfunding, and ancillary rights sales. The Vietnamese government that used to support propaganda films started to invest in mainstream films jointly with film studios since 2015. The most common form of investment is the joint venture financing, where a film's primary rights holder – such as the production company – is joined by other partners like distribution company to share the profit as well as risk. Usually, more than ten investors come on board for one project. A mainstream film costs USD 300,000 – USD 2 million. A low budget is considered to be between USD 300,000 and USD 600,000; a medium budget is USD 600,000 – USD 800,000, and a high budget is USD 800,000 to USD 2 million.

Independent films are produced with the financial support from overseas. Most of it is from European film festivals and, in Asia, in particular, from the Hong Kong Asia Film Financing Forum (HAF) and Busan International Film Festival's Asian Project Market (APM). Independent producers and filmmakers travel to overseas film festivals and markets, especially to project markets, pitching events, labs, and workshops to promote their projects and raise funds. The cost of independent films in Vietnam typically falls

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69) "Chapter: Vietnam," *IHS 2019 Report*

70) CGV Vietnam Homepage.

71) Le, Hong Lam (2019). "Chapter: Vietnam" in *Made in Asia 2019*, Bucheon: Bucheon International Fantastic Film Festival, p.100.

USD 300,000 – USD 500,000; USD 100,000 – USD 300,000 is considered a low budget, and USD 500,000 USD 1.3 million is regarded as a big budget.

In the past, the government-owned Central Film Distribution and Screening Company (FAFIM VIETNAM) distributed all films in the country, but now distribution is completely privatized. Major distributors are CJ CGV Vietnam, Galaxy, Lotte, and BHD. There is no distributor specializing in indie films only, and it is hugely rare that independent films are screened at regular commercial theaters. CJ CGV is the biggest exhibitor in Vietnam that owns 347 screens at 57 theaters, which is 41% of all 919 screens at 189 theaters as of 2018.<sup>72)</sup> As of 2019, CGV now operates 75 sites, Lotte 42, Galaxy 14, and BHD 9.

Arthouse theaters are not found as of today. The last arthouse theater was Hanoi Cinematheque, run by an American named Gerald Herman. It closed down in November 2016. One of the notable film festivals is the Vietnam National Film Festival, which is held biannually, organized by the Ministry of Culture, Sports and Tourism, and operated by the Vietnam Cinema Department. The Hanoi International Film Festival is also held biannually with the Talent Campus that focuses on the incubation of new talents and the Art Film Project Market.

Online platforms include Netflix, iflix, as well as local ones – BHD's Danet and Thien Ngan Galaxy's Film Plus. Even though piracy still persists, Vietnam has a high potential for online platforms demonstrated by the highest traffic in Southeast Asia.<sup>73)</sup>

With films being produced more than ever, the shortage in the labor force has become more serious. Still, education and training programs are not sufficient to accommodate this upward trend. However, since it is not challenging to finance a project, anyone with some experience can find a job in a film project relatively easily. Even though there are a number of successful producers like Veronica Ngo who make new attempts in new genres and push the envelop<sup>74)</sup>, there are also others who say it is time to bring a new

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72) According to CJ CGV Vietnam press release on in November 2018. The number of CJ CGV Vietnam theaters increased to 75 as of September 2019.

73) Mo, Jonghyeok, Hwang Gyunmin, Dongseon Bae and Yangsu Bae(2017), *Online Market for Films in Key Asian Countries*, Busan: KOFIC, pp.160–162.

74) Nguyen, Huu-Tuan(2019), "Chapter: Vietnam." In *2019 AFIS Film Industry Reports*. Busan: Busan Film Commission, p.9. Veronica Ngo made some box-office hits such as *Tam Cam: The Untold* (2017), a fantasy based on an ancient Vietnamese fairy tale, *The Tailor* (2017), a time-traveling romantic comedy, and *Furie* (2018), an action thriller.



change to the industry that solely focuses on profit.

Even though the film studios only make mainstream films and the government only backs the government project films for education and propaganda, the independent producers never stopped making films on their own even during the '80s and '90s when the “instant noodles films” were a trend.<sup>75)</sup> In Vietnam, there is no trade union in both mainstream and independent film industries. Vietnam's one and only film organization is the Vietnam Cinema Association. Being an occupational action group of the Communist Party, its purpose and function are highly political. As of 2015, the Association has 1,780 members, but those who belong to the film industry are less than 1,000. The two universities that offer degree programs in films are Hanoi Academy of Theatre and Cinema, and University of Theatre and Cinema Ho Chi Minh City.

Autumn Meeting is a young filmmakers' workshop and forum led by Film director Phan Dang Di and producer Tran Thi Bich Ngoc, which takes place annually in Da Nang, Vietnam. Autumn Meeting holds two annual international pitching events: Art-house Film Corner Pitching and Entertainment Film-World Pitching. The Art-house Film Corner Pitching selects 5-6 projects from its workshop participants. These projects are reviewed by the jury composed of programmers from international film festivals such as Cannes, Venice, and Berlin, with Tran Ahn Hung serving as the head of the jury. Tapping on its extensive network of partners such as the Korean Academy of Film Arts (KAFA), Autumn Meeting gathers together the lecturers, professionals, and students with the aim of developing a project. It is deeply involved in developing independent films in Vietnam as well as helping those projects travel to prestigious international film festivals.

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75) The legacy that follows the footsteps of Tran Anh Hung and Tony Bui in the '90s includes Nguyen Hoang Diep's *Flapping in the Middle of Nowhere* (2014), Minh Quy Truong's first feature *The City of Mirrors: A Fictional Biography* (2016), Le Bao's feature project *Taste* (2017), Pham Ngoc Lan's project *Cu Li Never Cries* (2019). In particular, Nguyen Hoang Diep's *Flapping in the Middle of Nowhere* received EUR 50,000 from Berlinale's World Cinema Fund in 2012. Since then, the film went on to win FEDEORA Best Film Award in Critic's Week 2014. Minh Quy Truong is a 2012 graduate of Busan Asian Film Academy and his first feature, *The City of Mirrors: A Fictional Biography*, was screened in A Window on Asian Cinema section of Busan International Film Festival in 2016. La Bao's *Taste* won the Southeast Asian Film Lab Most Promising Project Award at Singapore International Film Festival. Pham Ngoc Lan's *Cu Li Never Cries* participated in the Asian Film Market of Busan International Film Festival in 2016 and received the Hubert Bals Fund at the Rotterdam International Film Festival in 2017. La Boo and Pham Ngoc were both selected by the Cinéfondation, Cannes' atelier for emerging filmmakers. Do, Manh Tuan (2017), "Chapter: Vietnam" in *2017 AFIS Film Industry Reports*, Busan: Busan Film Commission, pp.398-403.

There has been no organization that plays the role of a film commission in Vietnam. However, Vietnam Film Promotion and Development Association was established in July 2019 under the Ministry of Home Affairs. This Association aims to promote tourism by assisting film production - including international co-productions - by assembling the public institutions and private companies well as the individuals in film production and financing. The Association is expected to take on the job of a film commission in the future.

The Vietnam Cinema Department (VCD) was founded in 1953 under the Ministry of Culture, Sports and Tourism. Under the mandate of devising plans for the promotion of the Vietnamese film industry and implementing policies, the VCD approves the production and distribution of films, promote Vietnamese films overseas, and supports the production of the government-sponsored films and provides location services. The National Cinema Center, which opened in 1997 in Hanoi, is a movie theater operated by the Ministry of Culture, Sports and Tourism, and it serves as a venue for a variety of screening events throughout the year.

The change in film policies at the beginning of the 2000s was precipitous to the growth of the Vietnamese film market; private film business was now allowed. With this change, films catering to audience taste, unlike the ones sponsored by the government, rose in number. Today, according to law, the monetary support using the national treasury is reserved for the films that publicize government policies. While such films receive extensive support from production to distribution and screening, there is no support scheme for independent films as of yet.

The 2006 and 2013 revisions of the Film Act, as well as the relevant regulations, stipulate about the promotion of international co-productions. However, it takes an extremely long time to acquire the state approval on the screenplay, and there are still numerous limitations and the do not's. There is no tax incentive program in place yet. However, the regulation on the international co-productions that heavily rely on overseas funding has been eased, which made it possible for many Vietnamese independent film showcased on the world stage. Censorship is relatively strong in Vietnam. The VCD reshuffled the rating system in 2016 and started to implement it

since 2017. Now the studios are able to make films using the rating as a benchmark; however, the rating criteria are more often than not unclear, and the producer can be asked to revise the screenplay or re-edit the film. This is the reason why the Vietnamese producers point the censorship the challenge Vietnam must address. There is no screen quota system for domestic films.



## Section 3

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# Vision for Co-prosperity and Collaboration Possibilities



## Section 3

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# Vision for Co-prosperity and Collaboration Possibilities

This Section imagines a future where Asian filmmakers are actively engaged in intra-regional collaborations beyond the border. In this context, this Section explores the ways in which a local industry can become a creative hub and connect with other local industries to boost co-prosperity further. The road to the realization of this vision will have many hurdles to overcome. Here, the premises of co-prosperity and ethics of collaboration will be first examined so that the final vision is shaped, under which the mid-to-long term objectives by 2030 and action plans per phase are set up.

### **3.1. Premises of Co-prosperity and Ethics of Collaboration**

To make the mega-regional partnership in Asia a reality, not just an idea, numerous variables need to be managed with care. At first, such possibilities will be experimented freely and loosely. There will be discrepancies in the list of requirements and commitments among the parties. Still, the parties will share a similar vision on cinema.

The three conditions for the co-prosperity model are as follows.

Firstly, the accomplishments and activities of the local community should be the priority. The local community (or village) is the core base of glocalization since it is the basic unit of living as well as the basic zone of the region. Glocalization preserves the local perspective without ignoring the global standard. A local community is the physical space where a population resides and, at the same time, their space of solidarity and regeneration. For this reason, one local community needs to communicate with other local communities based on a horizontal relationship. In the context of filmmaking, local communities are the basic unit with the potential of becoming a local film hub. An environment is created so that a balance is created between cinema and economy at the local film hub.

As evidenced by the case of Davao City in the Philippines, a regional film hub is born when a number of local communities come together in active exchange.<sup>76)</sup> And once this film hub starts to fulfill their role, the collaboration among the communities also flourish. Davao City has been the commercial and cultural center of the Mindanao islands in the southern part of the Philippines, and emerging as a production hub of Philippine films. This was possible because, thanks to the advancement of digital technologies, the locals were able to make films without the help of the producers in Manila. The most significant advantage of Davao City is its proximity to Indonesia, Malaysia, and Singapore. Davao City has not been able to develop their film industry as advanced as the one in Cebu in the Visayas region, yet is experimenting with new possibilities. Local filmmakers are showing their films through events like the Mindanao Film Festival (MFF) or at Cinematheque Davao while competing against mainstream films. Such grassroot efforts of Mindanao is creating a new environment that enables collaborations with neighboring countries such as Indonesia.

Isan, a region situated in the Northeast of Thailand, and its accomplishments demonstrate what a local endeavor can bring about. Isan is one of the fastest-growing

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<sup>76)</sup> Serencio, Jarell Mahinay(2018), "Chapter: the Philippines" in *2018 AFIS Film Industry Reports*, Busan: Busan Film Commission, pp.168–178. Mindanao, Visayas, and Manila are on the island of Luzon. Once, Visayan films boomed in Visayas simply because the theater screen booking system of Manila did not work. Eric Matti is also from Visayas. Cebu has a quite active animation community, which can be further developed into a specialized sector of Cebu.



domestic markets in Thailand. It has a large population, and most of the workforce is low skilled; however, it has a significant potential since it also has high-skilled workers. This potential surfaced with the success case of a film titled, *PBTB E-san Indy* (2014), produced by an independent producers' group called E San Indy Film Studio. A local filmmaker from Isan made this film at his home ground instead of going to Bangkok as others would generally do, targeting the local audience, which eventually led to a box-office hit.<sup>77)</sup>

Busan, Korea, is also growing into an innovative film hub. Since the launch of the Busan International Film Festival in 1996, the Busan Film Commission (BFC) opened, and various institutions and funds were established to promote local film business. The BFC tried different things outside its conventional responsibilities. The city of Busan went on to found the Busan Asian Film School (AFiS), which continues to nurture next-generation Asian film producers. The Busan Independent Film Association is also actively engaged in the film scene: holding the Independent Film Festival Busan (IFFB), publishing a magazine called, "Indie Critique," and organizing a regular screening of independent films. Documentary films are made in unique ways that fit the current indie scene, such as collective creation, labor exchange, or solo production.

More of such achievements of the local community need to be discovered. It will be quite meaningful to share the experience and outcome of creating a new and unique film culture within the communities. It will be equally wonderful to see those filmmakers physically distanced around the region come to connect with others and dream the same dream while focusing on their own projects on the other hand.

Secondly, mobility needs to be improved. The mobility from a location to another location means the mobility of people and experience. Once the widely-dispersed local communities come together horizontally, eventually making a larger community, an infrastructure that boosts exchange and sharing can be designed. The network of local communities serves as an intersection that allows better mobility for people and

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77) The production cost was paid out of the filmmaker's pocket. The film defined the new identity of the youth while visualizing the modern Isan. It tapped on the social media like Facebook to connect with the audience and also used a unique distribution strategy. Unprecedentedly, this local indie film was screened in Isan before Bangkok and also ran in the theaters in Bangkok for more than 4 weeks. Thipsena, Supatcha(2018), "Chapter: Thailand" in *2018 AFiS Film Industry Reports*, Busan: Busan Film Commission, pp.212–214.

resources. In order to make a network of markets and change transactions into a flow of exchanges, people need to move first. The case of how the artists in the global South are promoting the so-called “wider and balanced exchanges” can be a good source of inspiration. They are attempting transnational collaboration within the global South rather than relying on those in the North, and trying to improve the mobility within their hemisphere.<sup>78)</sup> Asian cinema can learn from this self-help effort to address the persistent problem of inequality in mobility between the Northern and Southern hemispheres.

The role that film festivals play in the promotion of mobility is highly significant. The study of the artistic, financial, and geopolitical role of the film festival was also conducted. In Asia, film festivals have also been linked to the cultural economy, triggering a wealth of discussions on creative industries. The film market, a sidearm event of a film festival, also brought attention to the ecosystem of production and distribution of independent films. Just as the Marché du Film at Cannes Film Festival and European Film Market at Berlinale bring in a huge audience to bring art and economics together during the film festival<sup>79)</sup>, Asian film festivals have also added business to their festivals by holding a film market. Film festivals and markets have been interdependent. In particular, the Busan International Film Festival (BIFF) consistently invited Asian independent films, which had few opportunities to travel abroad. BIFF provided a venue for them to gather in one place to interact and find business partners. Those filmmakers were given the opportunities which they would not have experienced if they had not traveled. While a regular film festival would only screen films, BIFF’s Asian Project Market (APM) gave the filmmakers opportunities to network and explore potential partnerships for future projects. The Asian Film Academy (AFA), which is operated by BIFF, incubated numerous professionals in filmmaking. The Pingyao International Film Festival, headed

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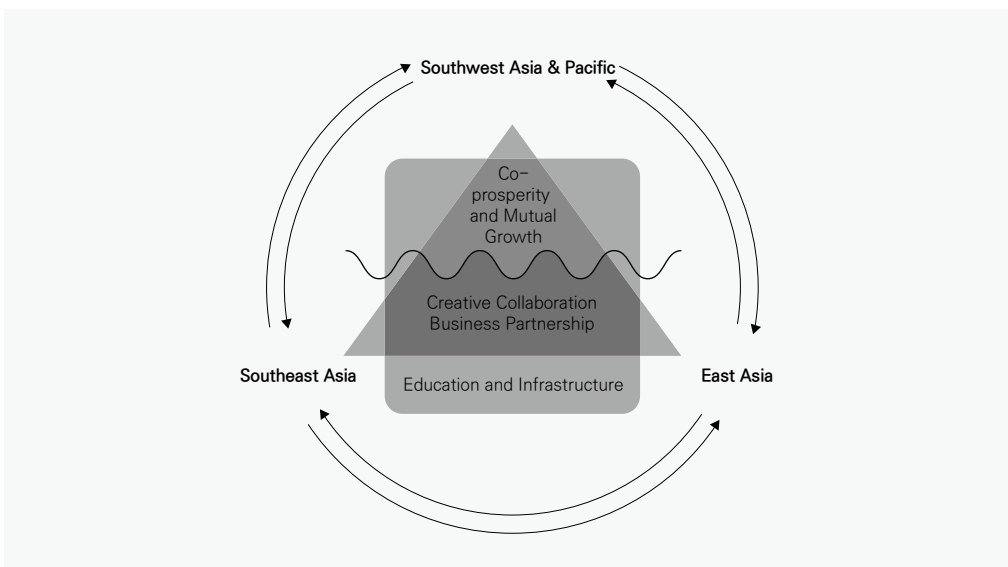
78) UNESCO reported that restrictions on freedom of mobility imposed on artists in the Global South are used as a tool for suppression and censorship, and diagnosed that artists in the Global South have difficulty moving due to visa restriction, unlike those in the Global North. Since the enhancement of artists’ mobility is crucial in maintaining diverse ideas, values, and world views as well as in promoting cultural industries, UNESCO recommends boosting the mobility of artists from developing countries in the Convention on Cultural Diversity. The strategy taken by the Global South was strengthening South–South mobility, which contributed to making the independent art sector in the Global South more dynamic and resilient. Thanks to this, new local networks, exchange platforms, and creative hubs also emerged. UNESCO(2018), *2005 Convention Global Report: Re/Shaping Cultural Policies: Advancing creativity for Development*. Paris: UNESCO, p.5 & p.23.

79) Saluveer, Sten-Kristian(2014), “East Asia in Production: Media Space, Film markets & Co-productions in Japan, Hong Kong, and South Korea (Master’s Thesis)”, Tokyo: University of Tokyo Graduate School of Interdisciplinary Information Studies, pp.70–72.

by Jia Zhangke, also served as a forum of exchange between independent filmmakers and their potential financiers. Thanks to film festivals, countless Asian filmmakers were able to travel outside their home country, be applauded on the world stage, and, in final, brought changes to their local film culture based on their international experience. Now is time to develop a series of programs that improve the mobility of less-known filmmakers, and encourage and support each other's project, just as film festivals have been doing.

Project development labs also boost mobility. The Southeast Asia Fiction Film Lab (SEAFIC), which runs workshops in Chiang Mai, Thailand, helps Southeast Asian independent filmmakers travel outside their home country. Depending on the project, they sometimes travel as far as to Europe. Of all forms of collaboration, international co-production, in particular, drives mobility simply by its occurrence, because mobility happens with the human resources moving between physical locations. For this reason, efforts need to be channeled to creating collaboration opportunities for creative capabilities to move far distances. Unrestricted mobility will also bring about improvement in the unfair employment criteria and regulation. And once the hurdles that drag down the mobility are removed, a dynamic film culture will finally take root. The concept of a local-based collaboration and mobility enhancement initiative is illustrated in the diagram 2.

〈Diagram 2〉 Local-based Collaboration and Mobility Enhancement Initiative



The ethics of collaboration also need to be considered. Diversity and inclusive development is the most crucial principle in this endeavor. Especially when countries with different film market sizes are to collaborate, a set of rules on ethics is needed. No culture deserves to be pushed aside. David Throsby (2001) argues that cultural diversity has a broader spectrum than the natural diversity. Therefore, the cultural capital assets of individuals or groups based on the cultural and economic values can be assessed to be similar, but they do not have exactly the same order of preference. It is because, even though the cultural values and economic values do influence each other, they are determined independently.<sup>80)</sup> The interviewees of this study also had a similar opinion. They were mostly concerned about the colonization of film culture. They emphasized that voluntary and fair collaboration needs to be encouraged. They commented that, if the ASEAN countries are to collaborate, it is necessary to acknowledge the gap created due to the difference in economic size and the process of establishment of a film culture. They pointed out that narrowing such discrepancies while building the foundation for co-prosperity is a prerequisite.

The issue of globalization was a matter of economic interest and a matter of narratives that penetrated it. Those who view the economic facet of culture too favorably tend to join the global cultural discourse. The creative economy, which can be interpreted as the economic engine of such cultural discourse, is driving the world, and ASEAN countries are not an exception. The national strategy to boost the economy using culture is generally obsessed with such discourse and is now preaching that the cultural industry can achieve economic outcomes without destroying the developing country's tradition and environment. They expect the cultural economy will create jobs and increase GDP. When jackpot contents and national strategies converge, policy direction sometimes took a different turn.

The tension between economy and culture has been dealt with in UNESCO's Convention on the Protection and Promotion of the Diversity of Cultural Expression (a.k.a. the Convention on Cultural Diversity) with quite a sensitivity. Adopted on October 20th, 2005

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80) Throsby, David(2001) *Economics and Culture*, Edited by Jehwan Sung(2004), Paju: Hanul, pp..81-87.

by the General Conference of UNESCO at its 33<sup>rd</sup> session in Paris, this Convention is the only international agreement that provides the basis for establishing policy objectives for cultural and creative industries. The Convention affirms that cultural diversity is an essential characteristic of humanity and shared heritage and, therefore, needs to be preserved. More importantly, the Convention recommends strengthening the cultural production and distribution of developing countries to provide them with access to the world market, and cooperate with them in creating local markets. UNESCO perceives that the concept of cultural diversity is a source for the sustainable development of the human community, expanding choices, creating a rich and diverse world. According to this logic, the Convention encourages more extensive and balanced exchanges in the world and promotes international cooperation and solidarity to strengthen the capability of developing countries.

The Convention on Cultural Diversity was signed amid concerns over the growing transnational movement of cultural products following the global trade trend and its growing impact on local culture. At that time, the world trade order was believed to have a negative impact on a country's sovereign policy-making capacity for culture. On the other hand, the perception of culture as an element of economic field was also spreading. Thus, the Convention managed the tensions between culture and economy in two ways. The duality of cultural products - being the subject of trade as well as expression of identity and value - was the logical basis of the Convention that could be used in both cultural and economic sectors.<sup>81)</sup>

However, it is not easy for the actors of local culture to overcome the phenomenon of the economy overwhelming culture. Some propose to resolve this imbalance by giving Official Development Assistant (ODA) in the cultural sphere.<sup>82)</sup> According to a UNESCO report, the proportion of ODA spent on culture and leisure over the past

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81) Justin O'Connor employed the concept coined by Karl Polanyi and suggested the revenge of the cultural. O'Connor, Justin(2019.8.27.), "The 2005 Convention: Two Decades on: New Landscape, New Challenges, Core Values (presentation)", Korean National Commission for UNESCO, pp.11-13.

82) The ODA includes a grant or concessional loan given by a developed country to a developing country or international organization. Korea joined the Development Assistance Committee (DAC), which is composed of key aid donor countries, and participated in discussions on the direction of international aid. Jung, Jungsook(2013.12.26.), "Key to Sustainable International Development Cooperation: Cultural Official Development Assistance (ODA)" in *KCTI Culture & Tourism Insight*, Seoul: Korea Culture and Tourism Institute.

decade is very low. UNESCO recommends increasing the contribution amount for culture in the ODA funds and supporting networks between the small and medium-sized enterprises in the creative industries in the southern hemisphere.<sup>83)</sup> Korea is currently reviewing this topic. The so-called “cultural ODA” is a project officially endorsed by donor governments to support the enjoyment of cultural rights of developing countries’ (partner countries’) residents and to help utilize their cultural resources for social and economic development. The principles of UNESCO’s Convention on Cultural Diversity or the Cultural ODA are aimed at easing the hierarchy of capabilities and experience among countries and promoting diversity in the local culture. Another similar activity involves trying to reduce the level of industrialization and the information divide caused by digital technology, at least in the cultural sector. Many of the NGO’s public interest activities also focus on this.

The needs of advanced content powerhouses with stable domestic markets and those of ASEAN countries with high growth rates yet still unstable cannot be the same. For example, Korea is seeking to expand its market overseas, and ASEAN countries want to obtain what Korea has achieved today. Many countries in Asia, especially ASEAN, have not had many opportunities to enjoy diverse cultures compared to the pace of market growth, and are experiencing their own culture being deleted or altered. In particular, since films are generally deemed to be a product of Western civilization and are a medium that crosses borders easily, the level of caution against collaboration varies widely depending on the country’s political and cultural background. There are many officials who are passive in collaboration, and the scope of censorship is also broad. Therefore, the ethics of co-prosperity cannot be enforced uniformly.

For this reason, Asian films should aim for inclusive development. To connect and cooperate with each other while sharing the resources of a country, the goals of collaboration must be specific. There needs a foundation of values shared by the Asian community as well as a media environment that fits these values. This structure is not possible without mitigating the hierarchy of resources or capabilities among countries.

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83) UNESCO(2018), *ibid.*, p.29.

Here lies the importance of the activities of public organizations. Public organizations should find ways to address the asymmetric growth in the structure of co-prosperity cycle. Above all, policies that support equity among regions in the distribution of cultural resources will be needed.

ASEAN's position on the influence of Korean films is ambivalent. This is because Korean film companies have made inroads into those countries, increasing the number of theaters and audiences, but at the same time, it threatens the self-sustaining power of their domestic films. Local companies who want to learn the strategies of these Korean companies are trying to justify their monopoly in the name of market growth. The stance of independent filmmakers cannot be those local enterprises. ASEAN countries also take an ambivalent stance on external economic assistance. While claiming that inward investment by large foreign companies is necessary, they are always wary of the negative fallout. This is why local filmmakers do not fully agree with the business methods employed by CJ or Lotte.

The public's aspiration for cinema is formidable. Nonetheless, the working conditions of the film industry do not live up to public expectation, and those of independent films are even worse. However, filmmakers continue to devote themselves to creative work. Another advantage is that they can practice this creative will while enjoying some relative autonomy.<sup>84)</sup> Sometimes they enjoy influence and privilege. In short, people in the creative industry are treated harshly as temporary workers and suffering from job insecurity, and yet they enjoy autonomy and the joy of work at the same time. Such traits have made the film market what it is today. Even in the cultural industry, the insecurity of those economically marginalized is real. Therefore, it is first to understand these anxieties and try to resolve them in detail. That will be the basis for the ethics of collaboration and true co-prosperity. These challenges should not be ignored in pursuit of justification and a dream called collaboration. Therefore, it should be based on consent and voluntary participation, but aimed at finding ways to promote synergy. Thus, the capability of intellectual property held by individual countries and the gap

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84) Hesmondhalgh, David & Sarah Baker(2011), *Creative Labour*, Edited by Chaerin An(2016), Seoul: Communication Books, pp.31-38 & p.251.

among them should be acknowledged. Still, the deepening polarization should be cautioned; the hierarchy of markets should never be fixed. Competition is inevitable, but this way, the gap can be narrowed. What ASEAN filmmakers want in terms of the direction of film market development in the region is that the outcome of development does not end up being monopolized by a few.

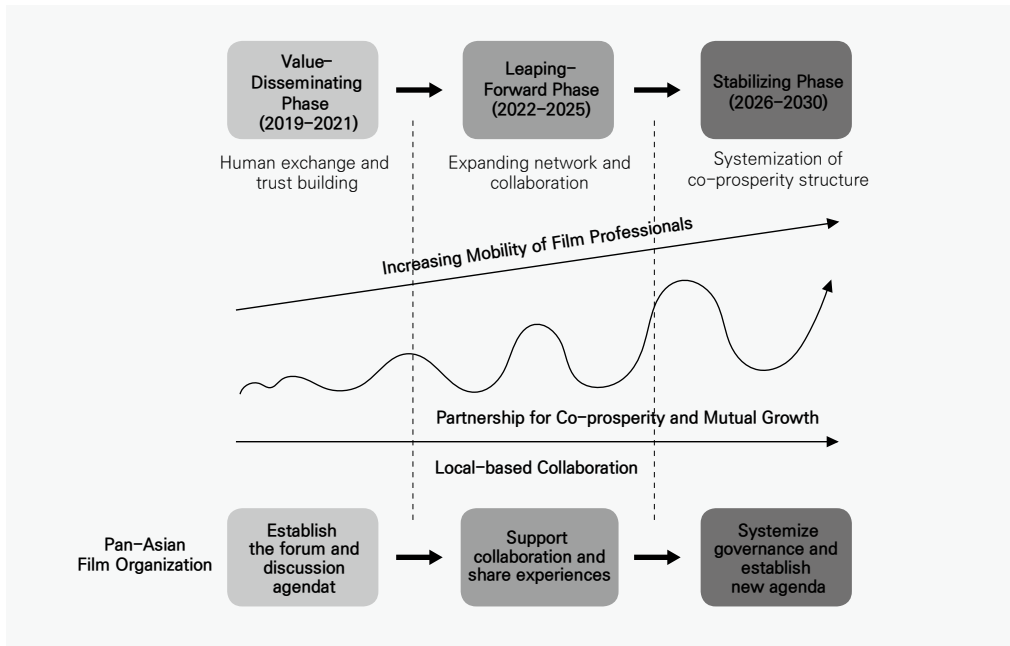
Many filmmakers and the supporters of Asian films agree on such inclusive development. They also agree on sharing different cultures and influencing each other. For this reason, a horizontal network rather than a vertical integration would be suitable. A horizontal network connects the existing local programs in a multidimensional way. With this connecting, cinema and the local community will not be separated, and the foundation of co-prosperity will also be more robust. A co-prosperity based on voluntary actions will continue to have a strong impact. Only then, a sustainable development that goes beyond short-term results will be possible.

### **3.2. Mid-to-Long Term Vision and Roadmap**

Which organization will assume the role of a mediator of the co-prosperity model is still a topic that needs further discussion. If Asian countries are willing to pursue co-prosperity and to establish a pan-Asian organization, a proper vision system needs to be set as well as a roadmap by developing a strategic agenda and action plan. It is prerequisite that the ethics of co-prosperity will be based on a horizontal network, not a top-down one. Major companies in Asia, as much as Hollywood majors, dominate the market with monopoly and vertical integration. In this system, independent films are at a disadvantage. The co-prosperity strategy should start with straightening up such an unlevelled playing field. The co-prosperity vision and mid-to-long term action plan are described in Diagram 3 and Table 3.



〈Diagram 3〉 Vision of Co-prosperity and Collaboration Roadmap



The first challenge to achieving co-prosperity is to improve the elements that restrict collaboration. Above all, Asia should start this by re-defining the identity of Asian cinema, which has been defined by European film festival programmers and intellectuals. To do so, a variety of local films will have to be brought together as Asian cinema while sharing the social values of the films.

This requires participation and agreement from filmmakers as well as film policy organizations. Securing procedural justification is another essential factor. In this study, the collaboration phases and roadmap are organized from friendship and trust-building, which is needed at the project planning phase → information sharing → mutual learning → project development → innovation and synergy → solidarity → upgrade process.

**〈Table 3〉 Mid-to-Long Term Strategic Objectives and Action Plan**

Phase 1	Strategic Objectives		Action Plan
Value-Disseminating Phase 2019–2021	Relationship Building	<ul style="list-style-type: none"> <li>▸ Human Exchange</li> <li>▸ Share creative capability and values of collaboration</li> </ul>	<ul style="list-style-type: none"> <li>▸ More mutual visits/forums and workshop tour</li> <li>▸ Maintain and Expand film festival exchanges</li> </ul>
	Mutual Learning	<ul style="list-style-type: none"> <li>▸ Maintain and expand local activities</li> <li>▸ Expand research projects</li> </ul>	<ul style="list-style-type: none"> <li>▸ Share cultural assets of film archives</li> <li>▸ Update country reports</li> </ul>
	Maintain Local Activities	<ul style="list-style-type: none"> <li>▸ Experiment on lean organization</li> </ul>	<ul style="list-style-type: none"> <li>▸ Simple Test on online platforms</li> </ul>



Phase 2	Strategic Objectives		Action Plan
Leaping-Forward Phase 2022–2025	Connections and Collaborations	<ul style="list-style-type: none"> <li>▸ Expand partners and connections</li> <li>▸ Experiment on cross-over projects</li> </ul>	<ul style="list-style-type: none"> <li>▸ International co-productions and fund established</li> <li>▸ Producers' workshops</li> </ul>
	Establish Pan-Asian Organization	<ul style="list-style-type: none"> <li>▸ Constitute and operate a pan-Asian organization</li> <li>▸ Set up regional film hubs</li> </ul>	<ul style="list-style-type: none"> <li>▸ Collect current issues and develop joint projects</li> <li>▸ Operate residence programs</li> </ul>
	Establish foundation for transnational distribution	<ul style="list-style-type: none"> <li>▸ Develop and systemize projects</li> <li>▸ Plan and operate exchange programs</li> </ul>	<ul style="list-style-type: none"> <li>▸ Use more online marketing tools and social media</li> <li>▸ Support joint marketing campaign</li> </ul>



Phase 3	Strategic Objectives		Action Plan
Stabilizing Phase 2016–2030	Organic growth systemized	<ul style="list-style-type: none"> <li>▸ Enhancement of local self-sustaining capacity</li> <li>▸ Increase in number of local films</li> </ul>	<ul style="list-style-type: none"> <li>▸ Set up a number of local film hubs</li> <li>▸ Operate on/off-line platforms</li> </ul>
	Outcome of collaboration shared	<ul style="list-style-type: none"> <li>▸ Stabilization of pan-Asian organization</li> <li>▸ Stable operation of support schemes</li> </ul>	<ul style="list-style-type: none"> <li>▸ Conduct mutually complimentary activities of policy organizations</li> <li>▸ Increase in international co-productions</li> </ul>
	Virtuous cycle of collaboration affirmed	<ul style="list-style-type: none"> <li>▸ Tracking the outcome and sharing</li> <li>▸ Strengthening the co-prospering partnership</li> </ul>	<ul style="list-style-type: none"> <li>▸ Resolve gaps and imbalances</li> <li>▸ Expand and keep track of support benefits</li> </ul>

### **3.2.1. 2019–2021 Value–Disseminating Phase: Human Exchange and Trust Building**

This is a phase of picturing the same ideal of co-prosperity and establishing a friendly relationship upon which the countries understand each other's circumstances. Since it is nearly impossible to secure financing, the countries can try out some projects that are most economical in implementation and also most likely to have a specific outcome. Local activities are not intervened either. People-to-people exchange comes before anything else. The advantage of such human exchange is that people talk to each other during the exchange. Through conversation, mutual respect is established on each other's local films, and the value and meaning of intra-Asian collaboration would spread. The first phase also includes creating a consensus on the necessity of collaboration and having mutual dialogue and peer-checking on how to establish the foundation. Thus, research projects are a must. For successful research, each country's production conditions such as workforce, capital, and infrastructure need to be identified and thoroughly discussed. Discussion needs to start from self-identifying the resources necessary for production. This means country reports need to be produced every year, and efforts must be poured into finding out each country's resources in a multidimensional manner. It is advisable to have the local researchers come together for a regular meeting.

First and foremost, the countries participating in the establishment of the organization need to learn about each other and deepen mutual understanding. Film archives in each country need to join hands to better the access to film assets, and film festivals in Asia should support each other and screen more films of each other. Education and training programs of a local film school or workshop can tour around the world extending their curricula to more aspiring filmmakers in other countries. All these projects need to be able to contribute to the expansion of filmmakers' mobility. For this, filmmakers themselves should form a minimum-size lean organization and, if there is a mediator organization in place, they can get administrative help. This organization supports the activities of local filmmakers while complementing each country's policies. The true actors of collaboration should be the local filmmakers themselves.

A careful approach is needed for the countries or regions with little experience in international collaboration or success cases. Prudence is essential, especially with low-income countries, because their concerns originating from the gap in economic capital are also quite significant. In these countries, access expansion for the marginalized is another critical pillar. Gender, poverty, and the environment should not restrict their rights to access. Necessary institutions need to be put in place to prevent monopolies of large corporations from limiting independent film networks, or corporate ethics of co-prosperity also needs to be publicized.

Exchange projects are also crucial. Firstly, an online platform can be developed and tested on which Asian films can be marketed jointly. A social network marketing would be sufficient. There may be different opinions about showcasing Asian films by running a joint pavilion at sizable markets in the West, because each country has different resource availability and circumstances. There may be a difference in positions in this regard, so nothing should be forced. The marketing platform can be tested for creating a culture of criticism unique to Asia by attracting film critics and influencers of each country. The point is that increasing the contacts and exchanges to build friendship and trust is more important than flashy events. It is advisable to support local filmmakers to collaborate with the partners they prefer. During that process, information on each country's human resources (professional filmmakers, film students, etc) and physical resources (infrastructure, equipment and facility, archives, etc) can be shared, and it becomes clear what to research and develop, and what type of institutions to devise. The hurdles and obstacles should be recorded and shared, and ultimately solutions will emerge accordingly.

Laws, institutions, founding the international organization, mutual consensus between countries, and governance system need to be considered all at once, but above all, having discussions and building consensus on the grounds for promoting filmmakers' collaboration and the value it entails are top priority. It would be excellent if a foundation can be established by making a shared platform. However, unless the member countries recognize the value of co-prosperity, a real collaboration will not happen.

### **3.2.2. 2022–2025 Leaping–Forward Phase: Expansion of Connection and Collaboration**

This is a phase that now moves beyond relationship-building – a set of action agenda is clearly set up according to local needs, and an organization that is capable of providing a substantial help starts to operate. After building sufficient trust and consensus on collaboration, strategies suitable for the local, national, and regional geographical accessibility and uniqueness are established, and the filmmakers directly contact each other by various channels.

At this phase, a transnational organization can be conceived and established. However, creating such an organization should not be hurried, because there is a risk that this organization becomes a bureaucratic administrative organization buried in the rhetorics such as “pan-Asia” or “film promotion.” Repulsion could also rise against leading countries with relatively sophisticated production capabilities. For this reason, a small group that can manage or connect the existing activities can be operated, and this transnational organization can keep track of these activities and collect feedback and, doing so, come up with the specific projects it can carry out and build its international prestige.

Producers identify what kind of workforce they need for film development and production, boost exchanges by leading small and large meetings, and pursue a startup. Production crew can sometimes be found outside. This is also true for casting. Collaborative work between filmmakers from different countries start from discovering each other’s creative capability. Creating a new managing program or finding a similar program is crucial. Accomplishments of directors and producers need to be preserved, and new programs designed by writers should also be promoted.

This is a phase during which the achievements of film festivals in Asia are transferred into something productive. Thus, this phase imagines in detail the films made together by Asian countries, which was never realized in the past. Film festival programs travel to other cities in a roadshow, project development labs have an exchange with each other beyond their base cities, and film companies even try a system that allows them to barter their films to distribute and market.

Each country should first and foremost establish and operate an international co-production while making an effort to create public funding. Local independent filmmakers should be able to access this fund with no restriction, and the selection process should be fair and transparent.

Policies that promote and support the actual production of films are essential. Producers or film companies try to secure the resources needed for the collaboration from outside. Some of the examples of this external recourses are the cultural ODA funds, UNESCO fund for cultural diversity, European film funds, and film festival or project market funds. It may still be a big challenge to build a foundation for financing independently. It would be very fortunate if a public fund is established thanks to the efforts poured in by each country, and the function of the fund is confirmed.

At the same time, it is critical to establish a transnational distribution infrastructure and a managerial setting that fits it. Without such distribution infrastructure, marketing is not as effective. For this reason, it is crucial to find ways to maximize the marketing effects while operating a pan-Asian online platform in parallel with a regular and continuous roadshow of Asian films. It is also imperative to launch a marketing campaign online and via social networks so that anyone from anywhere can access. Such activities also need to be connected to microcinemas. In Korea, too, the local independent film distribution needs to be revitalized just how it was attempted in the past by Art Plus Cinema Network or Next Plus Cinema Network. In particular, film exchange programs that allow screening of each other films or joint marketing efforts need to take place locally in many countries.

### **3.2.3. 2026-2030 Stabilizing Phase: Systemization of Co-prosperity Structure**

After having borne fruit from various projects based on strong friendship and trust, diverse film cultures of Asia come together in a new ecosystem thanks to completion of an autonomous co-prosperity system through an international agreement or consultative body. Local film markets also did not disappear but become more and more self-reliant. At the same time, the pan-Asian film promotion organization based

on voluntary efforts of each member country is operating smoothly, with the public fund of each country is being operated stably. At the same time, rigorous efforts are poured into improving the efficiency. If the pan-Asian organization can go beyond simply being a consultative body and establish a center for the network of horizontal division of work, it can carry out various projects while monitoring the market dominance of large conglomerates.

Joint support schemes, such as Europe's MEDIA will also be implemented. If the organization is to shed off bureaucratic practices, it should not damage the voluntary local efforts. This organization promotes the practical incentive programs of tax incentives demanded by filmmakers and also has the film production base cities network each other. Those cities need to be film hubs. Companies monitor the process of policy development and cooperate in finding realistic alternatives. Once the benefits provided to the filmmakers become more specific and diverse, there will be more filmmaking opportunities created. When there are more films produced, there will be more films commercially successful, which in turn will bring up the opportunities to make films. In the end, private companies will act upon the investment incentives they find in those films.

In this environment, the cycle of film production, marketing, distribution, and exhibition will become increasingly revitalized. Once the production → marketing → distribution → criticism → re-production structure expands to Asia, the audience for Asian films will also grow. Film festivals and development labs will also put efforts into maintaining the prestige of Asian cinema. The follow-up management system will work after the establishment of the cycle of engaging Asian filmmakers in providing support for the continuous production of films and self-monitoring, for example, making a cycle by linking mutual learning and research → education and workshop → film development and production → marketing and distribution → exhibition → monitoring of the outcome and sharing. Once this cycle is set up, a meaningful and practical partnership will be created in Asia. If that is possible, Asian filmmakers no longer need to make Asian films that Europe wants to see. It is because they will be able to find co-production partners more easily within Asia than in Europe.

At this phase, many local film hubs will emerge and be linked with one another. Diverse online and offline platforms will be running. Asia, voluntarily, will establish an information distribution center and build a community that is capable of mutual learning. Joint projects such as screening exchanges, residency programs, story workshops, location scouting, establishing production systems can also be designed and implemented. Within that, if the consultative body for Asian filmmakers also starts operating, many projects can be carried out such as: making international co-productions, opening local offices to develop projects and address issues, maintaining a stable partnership and running a joint venture, hedging risks, and giving consultation on profit sharing.

### **3.2.4. Conception of a Pan-Asian Film Organization and ARFO**

It goes back to 2018 when film policy institutions of Asia sat down together for the first time to talk about establishing a joint organization or center in pursuit of co-prosperity. Several countries like Singapore and the Philippines reacted positively to the idea, and further discussions followed suit.<sup>85)</sup> Agencies of ASEAN countries responsible for information technology, culture, and media started to review KOFIC's proposal of ASEAN-ROK Film Organization (ARFO) in detail. Being aligned with the Korean government's New Southern Policy and backed by the ministries (namely, Ministry of Foreign Affairs and Ministry of Culture, Sports and Tourism) that implement the New Southern Policy, KOFIC made a detailed proposal. ARFO secretariat is planned to open in Busan, Korea, which makes it very probable that KOFIC will be leading the operation of the

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<sup>85)</sup> The ARFO is a type of film exchange center which ASEAN member countries and Korea are trying to establish. This topic first emerged in August 2018, and, on October 8th, KOFIC (Chairperson Seok-Geun Oh) and several other government agencies (Singapore, the Philippines, Malaysia, Myanmar, Laos, and Cambodia) sat down together in Busan to discuss the launching of an organization called, "Asian Film Center." In 2019, KOFIC's visit to the ASEAN secretariat (in Jakarta) made this idea into a more fleshed-out topic. On April 23rd, KOFIC's Chairperson OH Seok Geun proposed the establishment of an international organization at SOMRI (Senior Officials Meeting Responsible for Information) that governs film. On July 4th, during the ASEAN Film Festival held in Bangkok, senior officials of film policy agencies gathered together for a pan-ASEAN roundtable to discuss the topic more in detail. This roundtable aimed at reaching an agreement in terms of how to organize at least a preliminary committee in time for the ASEAN-ROK Commemorative Summit in November 2019. Film industry personnel from Korea and ASEAN came together on August 16th in Busan for further discussion, and SOMRI participants and film agencies also had a follow-up discussion on November 6th and 7th.



ARFO. Industry professionals and those in charge of the policies of Korea and ASEAN countries met several times to share ideas.

Most of the researchers and interviewees of this study had a high expectation on a pan-Asian film organization but, at the same time, also a doubt. In particular, there was a big concern over a pre-planned top-down cooperation system. Since Asian countries share the experience of cultural Cold War and Americanization of culture through American public diplomacy, some people were worried about Korean conglomerates' expansion into Asian markets and overflowing of Korean Wave that could follow.<sup>86)</sup> They were also wary of the fact that each member country's situation will be kept track of. Some of them pointed out the foreseeable risks and bureaucratic problems of a pan-Asian organization using the expression "cultural imperialism." There was also a critical voice over the possibility of this organization ends up simply being a venue of socializing. Not only the philosophy and direction but also the continuity of projects was a key.

Despite all, the ASEAN film community has a high expectation of ARFO. Most of the film professionals interviewed for this study assessed the establishment of a pan-Asian organization to be a positive move. In particular, the project development labs experiencing financial difficulty or those who desired co-production wanted a more prominent and more active co-production fund.

For the cooperative relationship between Korea and ASEAN to be more than a theoretical one, an organization such as ARFO should create a supportive environment

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86) The term "public diplomacy," which means a set of public opinion activities carried out by the USA, was coined by Edmund Gullion, a CBS reporter and former director of the Kennedy Administration's USIA (United States Information Agency). Public diplomacy was clearly based on propaganda, as it was carried out as part of a psychological warfare to deter the expansion of communism and the influence of the Soviet Union. One of the most effective means of public diplomacy was film. During World War II, Hollywood actively cooperated in this war. After the war was over, the responsibilities of Public Affairs in the Military was transferred to the USIA. The USIA trained film professionals locally all around the world to mobilize them for daytime news films, documentary production, and distribution. In 1956, the USIA had 867 Americans stationed abroad and expanded its scale to the extent that it hired 5,716 foreigners from 80 countries. The USIA's local organization, USIS, was installed in many cities in Asia, and most of Asian residents were exposed to the public diplomacy activities of the U.S. All the activities of the USIA and cultural exchanges by the Department of State were all included in this term, "public diplomacy." This new term gave a dovish impression to propaganda activities. In the 1960s, Hollywood's influential figures continued to actively support the government, and the Cold War outside the United States expanded to be more cultural. Campaigns of the so-called "Cultural Cold War" were launched extensively. The USIA was the most powerful propaganda institution in history. Cull, Nicholas J.(2008), *The Cold War and the United States Information Agency: American Propaganda and Public Diplomacy, 1945-1989*, New York: Cambridge University Press, pp.259-267; Osgood, Kenneth A(2006), *Total Cold War: Eisenhower's Secret Propaganda Battle at Home and Abroad*, Lawrence: University of Kansas, pp.92-93.

for Asian films to prosper together. To do so, it needs to be equipped with financial capabilities and seek the most realistic and practical ways to collaborate by carefully studying the rules of each country, which have been applied differently so far. Without this, the network and partnership will be segmented, leading to an inappropriate global governance.

For this reason, if an organization like ARFO is to work properly, transnational networks need to be established first and foremost to connect real players with diverse backgrounds in and out of Asia, going beyond merely being a coalition of policy agencies. The mission of ARFO is to build a foundation for the co-prosperity of filmmakers while mitigating the capability gaps among the countries and fostering mutually-beneficial exchanges. At the same time, it needs to be the mediator that coordinates and mitigates conflicts in the direction of the film policy of each country. It also needs to clearly establish the strategy system, including the mission, vision, core values, strategies, and action agenda. Above all, it needs to study how to regenerate and sustain a sound local market and make it even stronger.

It is certain that this organization is to be a consultative body not dominated by one country, agency, or corporation. A consensus needs to be established on how to raise public funds, who will operate the organization, and how to distribute the resources. In addition to devising the sub-committee structure, review process, and the management system, the organization needs to specify how the member's contribution will be collected and what the membership benefits entail. It also needs to have a unit that can effectively access individual, corporate, and municipal sponsorship, funding from international organizations, or ODA funding. The organization needs to operate crowdfunding programs, development labs, and project markets with which they can provide opportunities to projects to garner attention and find financing. The organization also needs to follow up on those programs and manage the outcome continuously.

Despite all the sweat and tears, it will take even more time and effort to achieve the ideal form of collaboration. The policies of countries with capital power will not quickly abandon the dream of expanding their markets, and policymakers trying to

control their culture through censorship will not be so susceptible to new experiments. Unfair practices and unequal contracts, which use the capability gap as an excuse, will not be easily resolved, and the gap between regions will become larger and larger. This pan-Asian Film Organization should mediate and resolve these issues arising from the cultural industry scene. At the same time, it should be able to recommend companies to stop their corporate behavior that is not in line with co-prosperity and shared growth. This organization should be an inclusive and coexistence-oriented entity that sublimates the local struggles in Asian cinema, encourages a shared understanding of each country's unique film culture, and strives to be an organization for filmmakers.

### **3.3. Collaboration Possibilities**

Collaborations possible in Asia can be categorized into five areas, which are mutual learning and education program, project development lab, project market and financial matching programs, co-productions, and distribution support and audience development. Most Asian independent films do not have a stable niche market. They are not on their government's priority list. Such a situation only highlights the need for Asian independent filmmakers to collaborate with each other. For the filmmakers who attempt collaboration to experience the effects of betterment in the business environment and institutional improvements, the policy agencies need to have an architect model and imagination. Only then can the ecosystem be created where various players, such as independent filmmakers, can compete and co-exist with each other while easing the winner-takes-all situation. Here, at this juncture where KOFIC's policies meet Asia, this study attempts to explore areas where Asian independent films, including Korea, have yet to implemented.

〈Diagram 4〉 Mid-to-Long Term Strategies and Collaboration Possibilities for Each Phase

Prerequisites for Co-Prosperity	Strategies per Phase	Collaboration Possibilities
Promoting local-centric thinking and mobility →	Value-Disseminating Phase (2019-2021)	1) Operate workshop tours and incubate local players 2) Maintain development labs and systematize IP management
	Leaping-Forward Phase (2022-2025)	3) Improve investment results in project markets and boost financing forums 4) Develop open exchange project series and expand flexible co-production
	Stabilizing Phase (2026-2030)	5) Operate crowd-based on/offline community screenings and devise audience development strategies

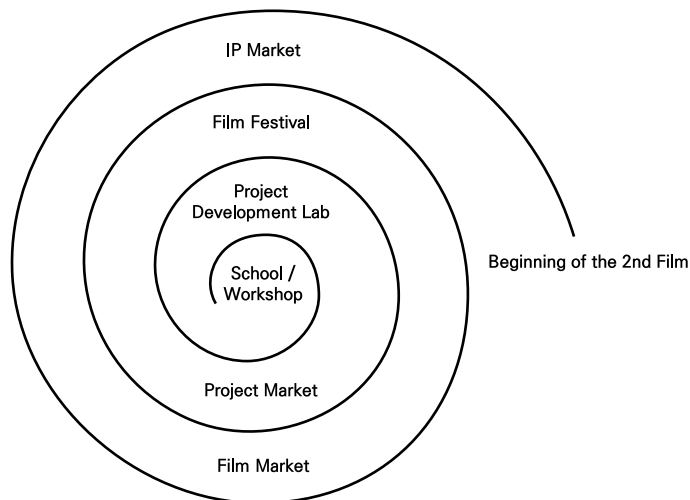
### 3.3.1. Operating Workshop Tours and Incubating Local Players

Sharing experience and knowledge is essential in collaboration. For this reason, simple and easy-to-implement education exchange programs need to be developed. Not only the educational institutions like film schools but also producers, directors, production designers, as well as marketers, volunteers, distributors, film festival programmers, and such local players can all become a devoted activist. In creating an education exchange program, there are two principles: to provide quality education that puts learners at the center and to ensure the local relevance. A learner-centered education means teaching the subjects that the local film community wants to learn. The primary objective of the learner-centered education is to teach the techniques that can be utilized as soon as possible and within the local conditions that may be somewhat limited. Quality education on general skills is crucial; however, local filmmakers need to be engaged. Access barriers must be low, and the activities of those who want to self-educate on filmmaking also need to be respected.

Education program with high local relevance is the one that is fitting to the local

conditions.<sup>87)</sup> If a program is to be implemented in Phnom Penh, Cambodia, a high level of understanding of the local environment and prospective trainees is required. The infrastructure of film production varies from local to local. Therefore, even without institutional support, educators need to be able to freely and actively engage themselves in finding talents. Unlike Korea, where many types of education and training programs exist<sup>88)</sup>, countries that lack in film production will first need small-scale education programs such as a short film production workshop. High-skilled technical workforce can be nurtured through such programs, or quality re-training programs can also be offered. Financially supporting the pre-existing collectives or film events can be another way. Education is the most crucial foundation for the birth of a new cinema.

〈Diagram 5〉 Education and Birth of Independent Cinema



87) According to the Dakar Framework for Action, of all the necessary elements for quality education, art education must have at least four elements, including active learning, a locally-relevant curriculum that respects the local community and culture, and trained and motivated teachers. UNESCO(2006), *Road Map for Arts Education: The World Conference on Education: Building Creative Capacities for the 21stCentury*, Lisbon: 6–9 March 2006, p.6.

88) In Korea, there are many film schools as well as private short film workshops. Some conglomerates have developed or supported film festivals, for example, Samsung's Seoul Short Film Festival, C.J's Cinema Digital Seoul Film Festival (CinDi), and Kumho Group's Asiana International Short Film festival. Seoul Short Film Festival and CinDi used to run project support programs. Not only that, Korean film festivals have been supporting the growth of Asian filmmakers by operating programs like AFA or Fantastic Film School. Also, the city of Busan is running international producer incubation programs such as AFIS.

Under these two principles, there are three types of education programs that are worth attempting. The first type is a visiting workshop of already stably-operating education programs. A tour of lecture series whose size and formats are customized to the local needs is a good option. It is recommendable to provide an upgraded version of curricula and teaching leadership. It would also be advisable for a workshop program of a certain level of international profile like Busan International Film Festival's Asian Film Academy (AFA) to go on a tour around Asia, or Singapore International Film Festival to join hands with local universities for a tour of an education program.<sup>89)</sup> This is economically most viable option to tap into the existing high-quality education resources.

The most pioneering education program is AFA, which Busan International Film Festival started in 2005. AFA offers 18 days of hands-on training on short film production, as well as a chance to collaborate with future film professionals in Asia. The alumni of AFA for the past 14 years have enjoyed an outstanding career. They became producers, directors, cinematographers, and technical experts who make a significant contribution to their country's film industry. They received ovations on the stages of prestigious film festivals.<sup>90)</sup> Many films of AFA graduates have been screened at numerous film festivals around the world.<sup>91)</sup> Phuttiphong Aroonpheng - whose *Manta Ray* (2018) won the Orizzonti Award for Best Film at Venice International Film Festival for the first time in the history of Thai films - was 2009 batch of AFA which provided

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89) Singapore International Film Festival operates two programs with a local education institution. The Southeast Asian Film Lab is a one-week-long intensive workshop at LASALLE College of the Arts, where film producers participate as mentors. This workshop is open to aspiring filmmakers who are striving to make their very first feature. The Youth Jury & Critics Programme is jointly organized with Nanyang Technological University. This is a one-month-long workshop that local experts operate for young critics.

90) From the batch of 2005, Boo Junfeng from Singapore and Edwin from Indonesia, from the batch of 2006, Chris Chong Chan Fui from Malaysia, from the batch of 2008, Sheron Dayoc from the Philippines, from the batch of 2009, Phuttiphong Aroonpheng from Thailand, Aditya Ahmad from Indonesia, from the batch of 2010, Carlo Francisco Manatad from the Philippines, from the batch of 2012, Bradley Liew from Malaysia, from the batch of 2013, Sorayos Prapapan from Thailand and Min Bahadur Bham from Nepal, from the batch of 2016, Eldar Shibanov from Kazakhstan, from the batch of 2017, Arifur Rahman from Bangladesh, Zabiullah Saifi Askari from Afghanistan were later invited to Cannes, Berlin, and Venice Film Festivals.

91) For example, Boo Junfeng from Singapore was one of the first batch of the AFA. His first feature, *Sand Castle* (2010), was later invited to Un Certain Regard section of Cannes, which was the first time in history that a Singaporean film was screened at the Cannes Film Festival. Since then, his another film *Apprentice* was invited to the same section again, which made him one of the most important contemporary Singaporean filmmakers.

him a springboard for further filmmaking opportunities. AFA for Aroonpheng was an open door to new opportunities.

AFA was not only a school but also a physical venue for the filmmakers to network with each other. Batch of 2017 AFA, Arifur Lahman, a producer from Bangladesh, Zabiullah Saifi Askari, cinematographer from Afghanistan, and Diana Saqeb Jamal, director from Afghanistan, collaborated together and made *Roqia*.<sup>92)</sup> This film was invited to Busan International Film Festival as well as to the Orizzonti Section of the Venice Film Festival. This was the fruit of AFA that gives opportunities to learn, share, and collaborate. The films made by the AFA fellows came back to Busan to be screened just like salmon travel home from long distances. These went back to their respective country to establish a new film culture. There were 15 AFA fellow films in the official selection of the 24th Busan International Film Festival in 2019, and three were also selected for the Asian Cinema Fund. Sometimes, AFA fellows leveraged AFA to also participate in the NAFF Fantastic Film School of Bucheon International Fantastic Film Festival.

The Fantastic Film School is an education program under the Network of Asian Fantastic Films (NAFF) launched by BIFAN Industry Gathering (B.I.G), which is an industry program of Bucheon International Fantastic Film Festival. During the festival, Fantastic Film School provides a 7-day training course on genre film production that includes different lectures by film professionals from around the world, masterclasses, team workshops and pitching, as well as networking opportunities. It is open to young English-speaking Asian filmmakers who either have produced a minimum of two shorts or participated in 1-2 features. Twenty-five filmmakers from 14 countries were selected to the Asian Filmmakers' Lab of Fantastic Film School in 2019. Of the 25, 22 filmmakers were from Asia.

If such high-quality educational resources tour around ASEAN, their educational effects will be formidable. The advantage of this touring format of teaching is that no new resources are necessary as long as the instructors' travel and accommodation

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92) Arifur Rahman, after graduating from the AFA, also trained at AFIS in 2019.

expenses are covered. Masterclasses, community screenings, professional incubation and mentorship program, as well as domestic and overseas audience development programs can also participate in these tours. Firstly, these tours can go to places with no film schools. Such touring workshops are especially meaningful for those aspiring filmmakers who have limited mobility. Since the workshops are held near them, they do not need to stop working and continue earning their living. Their films will be invited to international film festivals which will allow them to travel. Those tours are exceedingly useful since they expand mobility while providing education and training. The SEAFIC already tours around cities like Manila and Phnom Penh, connecting filmmakers and giving lectures on the project development process and ways to approach film festivals aboard from the perspective of a producer.

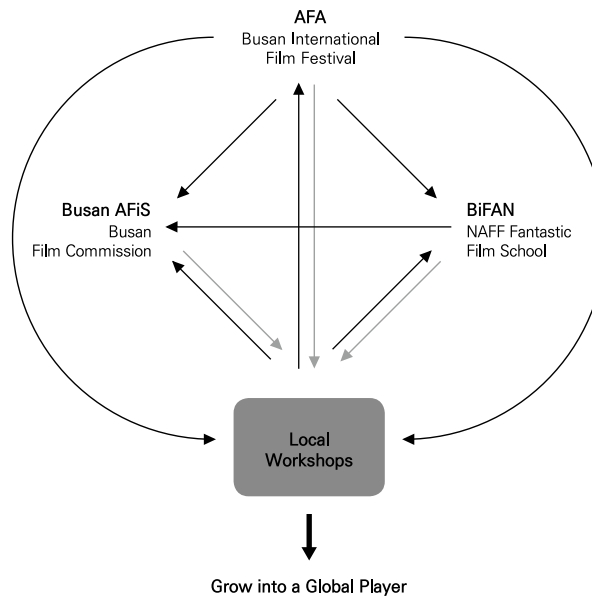
The education program of AFiS can also travel in this manner. A roadshow of short-term programs can go anywhere. Student and faculty exchange programs can be applied, or credits can be exchanged with tertiary institutions. Filipino filmmaker Lav Diaz can hold a workshop in Korea and vice-versa. There was a pioneering attempt to have a workshop tour in the past. KOFIC's Korean Academy of Film Arts (KAFA) conducted a workshop in countries like Vietnam, Indonesia, and Malaysia.<sup>93)</sup> Vietnam's Autumn Meeting, supported by KAFA in 2014, has been customized to the local needs and is operating various workshop programs, establishing itself as the center of Vietnamese independent cinema. Many projects developed by the Autumn Meeting have gone on to high-profile film markets. The local relevance of workshop tours and mobility is described in Diagram 6.

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93) KAFA, as an educational institution, has been working with diverse filmmakers in Southeast Asia through workshops. It tried to arrange the Pre-Biz training program and business meetings in China and also similar meetings in Indonesia in 2013. In Vietnam, proposed by film director Phan Dang Di, KAFA also carried out an exchange program with local filmmakers in Da Nang. So it did in Malaysia. The project was suspended in 2016, but the need for such exchange programs was continuously raised. In 2019, KOFIC resumed similar education programs for overseas Korean living in Uzbekistan and other countries.



〈Diagram 6〉 The System of Workshop Tours and Improvement of Filmmakers' Mobility



Secondly, to discover active producers, manuals on collaboration and overseas business need to be developed and shared. A manual of business process with necessary information should be published and distributed, as well as uploaded online for easy access. The on-the-job training for film business is also needed. One needs to understand the complexity of rights transactions such as IP business, output deals, and franchising. Many industry professionals, namely the late Jiseok Kim, who was the program director as well as a founding member of the Busan International Film Festival, strongly argued for the need to foster producers because the collaboration of any kind can hardly happen without a good producer. It is those producers who network with each other, which leads to international co-productions.

Through various programs to promote European cinema, Europe already tried in the past to learn the American approach to producing films. At a conference titled, “European Film Academy’s Strategies for Survival,” held in June 1996 in Berlin, Geoff Gilmore, Sundance Film Festival Director, pointed out the passive attitude of Europe on incubating producers. He argued that film schools need to nurture producers who

will then need to assume a stronger leadership. He sharply raised his voice, saying that the European industry needs to realize how much the word “money” has been underestimated compared to “story.” He went on to say that the reason why so many students of film schools – meaning, directors, and writers – think that they can make films all by themselves and end up going in the wrong direction is that they underestimate the role of a producer. His argument resonated widely among European industry professionals.<sup>94)</sup> Since then, the industry was shifted toward empowering the role of producers.

Many point out the conservative perception of Asia that underestimates the producer’s status. Most film schools and workshops also focus on directing. This is why producing workshops need to be newly added or boost the existing producing track. In this sense, AFiS is an invaluable experience as well as an asset.<sup>95)</sup> AFiS has become one of the most important institutions through which Asian filmmakers network with each other. The most practical method that AFiS employs is mentor-mentee collaboration, which means the school and the students collaborate. Such joint activities of the artists-in-training and teachers-in-training provide opportunities for future collaboration. AFiS experiments the outcome of its education on the actual site of film production. The students and alumni work with each other on developing new projects.

It is fortunate that Korean independent filmmakers who have had a conservative stance have now witnessed the achievements of Asian producers and are seeking ways to collaborate. Until today, there has not been many cases of Korean independent filmmakers pursuing overseas collaboration. The language barrier was the primary reason, but their conservative perception of collaborating with a foreign counterpart also contributed to this problem. Such an attitude builds an obstacle against developing various collaborations. A cultural approach is as essential as an economic approach.

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94) Finney, Angus(1996), *The State of European Cinema: A New Dose of Reality*, London: Cassell, pp.44–45.

95) AFiS, established by Busan Metropolitan City and commissioned to Busan Film Commission (BFC), is one of the most notable producer training programs. Asia’s future producers gather at AFiS. The trainees who complete the program pitch their projects at the Asian Film Market during Busan International Film Festival. AFiS has their trainees pitch their projects at BFC’s Link of Asia Section during the festival. In 2019, 17 Southeast Asian producers and directors presented 19 feature projects that they discovered. These projects are evaluated and commented by the experts from home and abroad according to each preproduction phase.

International business is a series of complex transactions for which countless variables need to be calculated. Producers' education programs need to be developed in a way that it can simulate those variables in detail. Therefore, even if such a program operates, its consistency needs to be continuously managed.

Thirdly, what is most needed for mutual learning is to overcome the language barrier. If learning and communicating in the local language are possible, many obstacles can be removed. This language issue has been raised many times but also has been ignored every time. The primary language for communication in multinational projects is English, because the "big players" who lead the business do not learn the local language. However, not all local filmmakers speak fluent English, and there is a limit to communicating in English.

For this reason, if a more effective and equal collaboration is to be designed, Asian filmmakers need to find ways to understand and communicate the business terms and expressions in their own language. Business terms and vocabularies are not always clear-cut. Communication method should change from depending solely on English to something different if one wants to understand the subtle nuances.

One way is creating and distributing film production manuals and film business glossary written in local languages. This is to minimize the misunderstandings occurring due to language differences by communicating in the local language. It is necessary to understand the local language because it is one way to enrich the film culture without damaging the local identity. For this, it is vital to provide opportunities to understand and learn the local language of each country. Understanding the language means understanding the message, and this also means understanding the complex contexts. In the long run, it is crucial to foster multi-lingual producers and local creators who know the local culture inside out and know how to use this knowledge as their core competency. In implementing those education initiatives, including language education, the online platform should play the role as important as a face-to-face setting. Online platforms can be the hub for language education. By taking those language programs, local filmmakers in each country can accurately understand in their own language other country's film culture, market situations, and human resources.

### 3.3.2. Maintaining Project Development Labs and Systemizing IP Management

Project development labs carry out a series of structured activities to help an original story to gain universality and nurture screenwriters. For making a story concept into a fully fleshed-out screenplay is a long and rigorous process, such development labs in various sizes have been established. However, it is rare to see a lab that entirely lives up to the expectation that the fledgling idea will be developed into a full script. A lab's outcome depends on the instructors' or mentors' level of capability and past experiences, as well as the lab's founding philosophy.<sup>96)</sup>

The screenplay completed after the development at the lab becomes someone's IP (intellectual property) in the future. In today's world, IPs have become core business products that are sold and bought. In Asia also, issues around IPs have gained quite a spotlight. The activities of public organizations for story development are essential to independent filmmakers who are burdened by finances. The problem is that the labs themselves are currently experiencing financial difficulties. Therefore, the labs will be able to solidify their presence and prove their effectiveness if they join forces together as well as expand to the realm of IP business.

There are five directions development labs and IP management system can pursue. Firstly, the existing local labs can operate more stably, and diverse open labs can also be founded. Even today, many independent films are being made with the help and support from European producers. Many Asian directors and producers still seek help from European funds and lab programs, because it is difficult to secure financial support domestically.

In Korea, large companies used to give advance payment for film development, but this was to secure their rights over the story and to mitigate the risk of failing in the market - all in all, it was strictly based on commercial rationale. In 2010, as the volume of payment on screenplay development from large conglomerates diminished

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96) For example, SEAFIC pursues famous international festivals. The lab is held locally, but the lab already knows what kind of projects will most likely be embraced by Europe and who the influential programmers are. And those programmers are engaged in the lab as a judge. The dynamism of consulting varies according to the operator's capability and networking.

drastically, the diversity in Korean films also started to decline.<sup>97)</sup> Scene#1 was founded in 2019 by KOFIC, specifically targeting this problem. It is highly unusual for a policy agency to take direct measures for screenplay development. One will have to wait and see what kind of outcome will come out of Scene#1, this large scale development lab with a very “Korean” concept.

There is a pitching program that operates a small-scale lab in parallel. The Pitch & Catch program at Seoul International Women’s Film Festival entails a month-long small-scale lab based on a mentor-mentee partnership. During this one month, film producers in the field advise on the screenplays for further development. Seoul Independent Film Festival also opened a lab in 2019. This lab aims to achieve diversity in Korean independent films as well as to seek financial results.

However, these labs are operated as a side-bar event to a film festival with no permanent staff, which makes it difficult to ensure continuous and consistent management. There are cases of private companies supporting project development to foster new talents. A good example is CJ Story-up, which is CJ’s production support program for shorts. CJ Foundation selects five short film projects from Korea and Vietnam, respectively, and after completion, they are exchanged between the two countries for screening. They are also submitted to famous international film festivals. Although it does not have a full-fledged lab function, CJ Story-up has an advisory role installed to assist in production.

The Philippines developed a lab that aims to be locally-rooted but, at the same time, to have an international perspective. The decision was in line with the direction of the country’s decentralization policy. In 2019, benchmarking on Torino Film Lab, the Philippines launched an eight-month program called Southern Voices Film Lab exclusively for Mindanao filmmakers. This program contains three residence workshops. The first workshop reviews the overall development of the project, participated by seven international mentors. The aim is to write the first draft screenplay. The last stage

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97) Since 2010, the role of public funds has been limited in Korea, and private companies’ support for project development has declined drastically.

The reduction in development cost has caused films of various themes to disappear, and the polarization of the production budget has intensified. The budget of independent films has been reduced to the level of KRW 100 million–200 million (approx. USD 85,000–170,000), and its makers struggled even more.

is the open pitching session, where the participants are given opportunities to meet with potential financiers, and the FDCP either awards each project USD 20,000 cash prize to make the short film or connects the projects with producers for feature films.

The most well-known project development lab in Asia is the SEAFIC. Its Executive Director, Raymond Patanavirangoon, and his colleagues hold SEAFIC in Chiang Mai, Thailand. SEAFIC selects projects of filmmakers in ASEAN to provide mentoring and create new opportunities. Such a program strengthens solidarity between the local and regional communities, offers practical help for productions, and strongly motivates the filmmakers. Another successful lab in the region is Autumn Meeting held in Da Nang, Vietnam. Rom (2019, original title, *Lottery Boy*), which won the New Currents Award at Busan International Film Festival 2019, was developed initially at Autumn Meeting. The lab is relatively small in size, yet its outcome is quite significant. In its opening year, the lab had only 12 students who were all Vietnamese. It opened its doors to foreign independent filmmakers in its third year. Currently, the foreigner to Vietnamese ratio is 3:7. This was to create an environment for its students to pursue collaboration with filmmakers from other countries - most importantly, from Europe. As more English-speaking domestic participants joined, collaboration happened only naturally. Autumn Meeting has been developing international co-production projects since it started accepting foreign participants.

SEAFIC and Autumn Meeting emerged as the most critical project development labs in Southeast Asia. The local projects that went through those labs became international co-productions, which went on to the world stage via film festivals and built a reputation. Surprisingly, there is no multinational development lab in East Asia. There are some cases of large conglomerates investing in a project and paying for the screenplay development with a particular set of conditions attached. However, the deal breaks as soon as the project does not live up to those conditions or demands of the investor. It is essential for international co-production projects, if nothing else, to tap into those development labs. It is also the same for independent films. For this reason, this study recommends creating a project development lab in the future that fits the local, regional, and national needs and circumstances, by benchmarking those two

abovementioned labs. If a East Asian lab is open in Seoul, it is advisable to connect with NAFF at Bucheon International Fantastic Film Festival. There, the filmmakers will be able to explore many ways to project their ideas into a big screen while pursuing collaboration with China, Taiwan, and Japan. The project development lab in and of itself is a venue of international cooperation. Thus, this study suggests to create a multinational lab that speaks to the uniqueness of the region and focuses on developing creative projects for international co-productions.

Secondly, the experiences accumulated by the project development labs that encourage co-production should be shared in the region. SEAFIC, which is well-operated compared to other labs in Asia, spreads its operation knowhow to its neighbors. The Executive Director of SEAFIC has been sharing his experiences with Southeast Asian filmmakers through a lecture tour since 2016. He tours around Yangon, Hanoi, Singapore, Manila, Ho Chi Minh, Vientiane, and Phnom Penh to exchange with local filmmakers and learn about the changing landscapes of the local film industry.<sup>98)</sup> SEAFIC demonstrates how to approach international funds, project markets, or labs by carrying out such an intensive workshop tour for local filmmakers.<sup>99)</sup> In this sense, SEAFIC is not one isolated event.

Just as the Philippines does, each Asian country needs to learn from SEAFIC's achievements. In particular, those countries need to learn about the developing process of an international co-production project from those labs' experiences. Education through the eyes of a producer is highly practical, and the approaches to European funds are precise. SEAFIC itself is the basecamp of co-production. SEAFIC that opened many doors for Southeast Asian indie film projects to the path of international co-production, and this demonstrates clearly how successful the lab can be when a

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98) For example, in September 2019 in Manila, SEAFIC held a 3-day workshop on how to submit to international film funds for producer-director pairs who are developing a project together. And in 2018, SEAFIC and FDCP jointly conducted a 3-day workshop on pitching and dossier building.

99) SEAFIC is an intensive feature screenplay development lab for Southeast Asian filmmakers, holding three sessions during the 8-month period. Film directors and producers refine the screenplay they are currently developing after receiving consulting from experienced filmmakers. Participants take three sessions in Thailand, and all the lectures are in English. In the final session, participants are required to pitch their project in seven minutes to three judges, with one project winning the SEAFIC award. According to the operator of SEAFIC, most ASEAN countries, except Hong Kong, have traditionally been weak in storytelling and desperately in need of a development lab. That was the starting point for the SEAFIC. Despite the success of the lab, it is experiencing financial difficulties.

producer leads the development process. The projects developed at a lab like this becomes an international co-production film.

The Southeast Asian Film Lab, organized by Singapore International Film Festival, also helps develop projects of filmmakers in ASEAN. This lab aims to provide an intimate and collaborative setting to the Southeast Asian filmmakers striving to make their first film. During the 7-day lab, the filmmakers receive personal feedback from three mentors, listen to the industry experts opinions, and share their own experiences and insight. A panel of experts listen to the pitching of each project and gives the Silver Screen Award to the most promising project. This lab, operated by the Southeast Asian Producers Network, is growing along with SEAFIC, Torino Film Lab, Cannes L'Atelier, and BIFF's APM.

Such transnational achievements of labs need to be shared all around Asia. This type of labs can be developed in Korea, too. With a lab in place, the possibility of collaboration also improves. Labs also can cooperate with each other. If a new lab is installed in East Asia, It can share the projects with SEAFIC or Autumn Meeting, also giving showcase opportunities to each other. The quota of local funds can also be exchanged. If the labs go over the local boundary and are networked all around Asia, the outcome will also be much more significant. The development lab will give more opportunities to filmmakers and allow them to dream of international co-production even at the very beginning of a project development.

Operating a lab closely with private financiers, just like Southeast Asian Film Financing (SAFF), can be an alternative. It is rare to see the projects of existing labs enjoy commercial success. From the perspective of the corporations, the existing labs that emphasize the artistic merits the most may not be so attractive. For this reason, labs should come up with different ways of operation, such as separating the projects that pursue commercial success and independent projects or having different tracks such as a commercial track for projects with commercial prospects and an open track where anyone can participate. It is not necessary to unconditionally follow the demand of a company that already internalized a function of project development lab. Undoubtedly, public funds or corporate sponsorship should be injected to development



labs. If the lab wants to foster the independent spirit, the innovative merits of a project can be weighed more than other properties in terms of selection criteria. A lab open to the general public and a selective lab for professionals only can also be operated separately. The public funds can start supporting from covering the translation cost of the screenplays that come out of those labs. Nurturing writers or developing screenplays are always challenging. There are not many programs that can address these challenges as well as the development labs.

Thirdly, it is essential to establish a system that integrates and manages the local stories and IPs to prevent them from being buried. It is also necessary to have a separate research team that collects, classifies, and organizes Asian stories. Also, building an incubation system for Asia's super IPs should be explored. If a story can be developed multilaterally, it is possible to create a system where each party inspires each other. Then there will be more opportunities to develop killer content that can become an Asian franchise which can be used for parodies and remakes. This is because the parties can share the rights of such material that they developed together. This will also ease the cultural discount, language barrier, and translation problems.

It is quite rare for independent filmmakers to have an opportunity to approach an investor. It is ever more rare to meet an investor who can lead to international co-production. There are many cases of independent film productions being halted because of this reason. Often times, stories are lost, over which conflicts also arise. Thus, if an independent filmmaker's story assets are to be developed continuously without being buried, a system that manages those stories is needed. This system can give visibility to an unknown story to be revealed to producers and financiers and assist with the transaction.

Even Korea, where a project development boom once led to films with diverse stories and subject matters, has not come to establish a sizable development lab. As the influence of Korean film studios grew since the late 2000s, production companies started to become less self-reliant, and producers also began to intervene less and less in the development, which ultimately led to a conservative attitude toward project development labs. What is remarkable is that there were 22 (40.74%) producer-led

projects among the total 54 films produced in 2015, while there were only 10 out of the total 52 (19.92%) in 2017, seeing a sharp drop in number. This means that individual directors are now leading the project development, not producers, backed by studios that give financial support.<sup>100)</sup> This led to the repetition of the commercially proven stories rather than the discovery of new stories and building a systematic development process. The reason why Korea also needs a development lab is that those labs already internalized the process of making a fresh idea into a project that can be completed into a film. At such labs, a small local idea can become an IP.

Working with Asian Film Commissions Network (AFCNet) may be worth exploring to collect a variety of stories scattered all around in Asia and to create an environment to boost co-production.<sup>101)</sup> For example, if a residence program is operated jointly with AFCNet, different kinds of IPs will be secured, opening doors to collaboration. A residence program is about writers and producers staying and living in a foreign country and accomplishing an artistic outcome. The advantage of this program is that a local story can be added to a screenplay at early on in the conception phase, which can lead to possible collaboration. Each country only needs to select a base city where the residence program can be implemented. Producers and writers simply pick a destination and move there. This is quite cost-effective. This program can be applied in a city for which the city's Film Commission provides location services.

A franchise film is a global brand IP. To incubate such super IP, many should be involved in development. A global project incubated by various audiences is also possible. Not only films but also TV shows, games, and variety shows are included in the potential contents. It can be assumed that the more diverse audience involved in development, the more universal the story will be.

Short-form and mid-form stories with a new narrative should also be developed.

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<sup>100)</sup> The director-led projects increased to 29 (55.77%) out of the total 52 in 2017. Lee, Hyejung, Dayoung Shin, Sungkyung Kang, Sanga Park and Soeun Yang(2018), *Study on Ways to Establish Foundation for Revitalization of Korean Film Development*, KOFIC Research Paper, p.20.

<sup>101)</sup> The AFCNet is a not-for-profit organization that links all the location services provided by each Asian member country. It operates a joint pavilion at the Asian Film Market during BIFF every year. This joint pavilion is part of the Link of Asia event organized by the Busan Film Commission. In 2019, 16 members from 8 countries participated in the joint pavilion, and introduced their location services, incentive programs, and support schemes as well as their film location information and film and video infrastructure.

Since the global success of Netflix, the writers of the millennial generation set forth bold stories that are never seen before. Their concepts need to be made into original stories. It is said that the millennial generation prefers a short length while the older generation prefers a long length. The stories that this generation reacts to are different from what have been consumed in the past. Thus the rise of a new challenge to respond sensitively to the changing nature of storytelling, such as the non-narrative trend seen on YouTube, consumer-centered narratives, short-form IPs, shortening of enjoyment cycle, and one-person media. The major platforms are changing at a fast rate, and filmmakers now have numerous trends to keep track of.

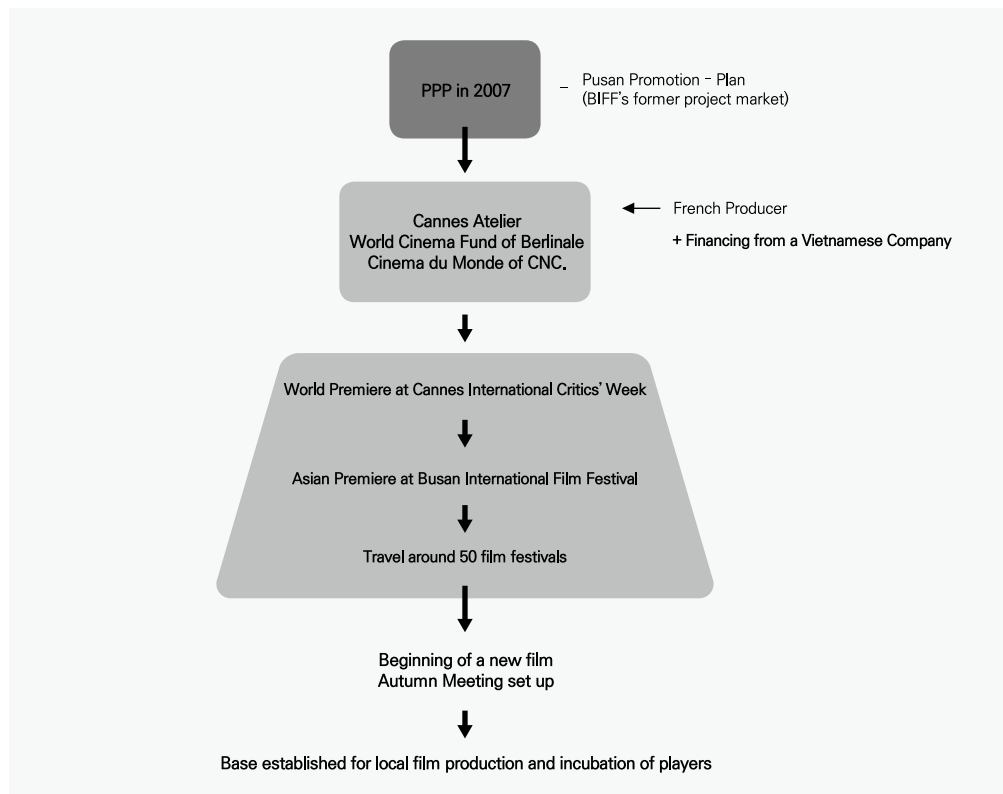
### **3.3.3. Improving Investment Performance in Project Markets and Boosting Financing Forums**

If a film festival is a venue of celebration of the filmmakers who came a long and tiring journey of filmmaking, a project market is a marketplace for pre-sales and co-productions, accepting the future “plans” of filmmakers who have yet to complete their films and came to the market with a sense of desperation. Some of the notable project markets in Asia include Hong Kong - Asia Film Financing Forum (HAF) of Hong Kong International Film Festival, Asian Project Market (APM) of Busan International Film Festival, Network of Asian Fantastic Films (NAFF) of Bucheon International Fantastic Film Festival, and Jeonju Cinema Project (JCP) of Jeonju International Film Festival.

Vietnamese filmmaker, Phan Dang Di made his very first feature at Pusan Promotion Plan (PPP), the predecessor of APM. He found out about PPP when he met Korean director Kwang-su Park in 2007. He submitted his project and received USD 10,000 cash prize. After PPP, he went to Cannes Atelier and met European producers and people from the World Cinema Fund of Berlinale and Cinema du Monde of CNC. He also met French producers and received EUR 50,000 from the World Cinema Fund and EUR 150,000 from Cinema du Monde of CNC, EUR 180,000 from ARTE France, and EUR 60,000 from a Vietnamese company. Based on this funding, he was able to make *Bi, Don't be Afraid* (2010), which was selected for Cannes International Critics'

Week and won two awards. This film also Asian-premiered at Busan International Film Festival. Thanks to the success of his first film, Phan was able to start making his second film, *Big Father, Small Father and Other Stories* (2015), which was selected to be in the competition section of Berlinale. Phan's case demonstrates how an independent filmmaker from Asia can leverage a project market to make his films. Phan, using project markets as a platform, was able to meet European producers and secure budget. He would not have made a film if not for project markets. Since then, he developed Autumn Meeting, an organization that supports Vietnamese independent films. Autumn Meeting operates a local workshop and small project market. His journey can be drawn, as shown in Diagram 7.

〈Diagram 7〉 Project Markets and Journey of an Independent Film Project



Phan's case illustrates how project markets give visibility to an unfinished project

and let it known to the world. It is an especially relevant and useful forum of exchange and investment for Asian filmmakers who lack mobility. Some of the collaboration proposals that project markets can consider are as follows.

Firstly, project markets can be expanded so it can drive more investment and become a venue for cross-border collaboration. Giving an extra point of cooperation or giving funding to co-productions are some of the ideas. Fortunately, some sizable project markets are being operated in Asia already. Investors' round tables operate in parallel, so project-financier matching is quite effective. Most importantly, at project markets, film directors and producers can meet potential financiers and co-producers. It is also an excellent opportunity to learn about other countries and markets. Sometimes, filmmakers can try a packaging that meets the global standard and meet a mentor who provides business consulting.

Established in 2000, HAF has become one of the most well-known financing platforms as well as lively project markets in Asia. Almost 1,000 filmmakers gather in Hong Kong during the three days. APM at BIFF and NAFF at BIFAN are also good project markets. Many Asian projects are submitted to HAF, APM, and NAFF.

APM, which has a long history, shortlists around 30 new projects and arrange business meetings for financing and co-production. In 2019, the most significant accomplishment of APM was *Rom*. This film was selected as an APM project in 2015 and world-premiered in Busan International Film Festival, winning the New Currents Award.<sup>102)</sup> In the Window on Asian Cinema section of BIFF 2019, six were APM projects. *Suk Suk* (2019, Hong Kong and China) was selected for APM 2017, *Where We Belong* (2019, Thailand) was chosen for APM 2018 and world-premiered at BIFF. As such, APM has become a significant venue for business opportunities for Asian independent films.

NAFF's It Project, a project market for genre film projects, has grown for the last ten years into a global network covering not only Asia but also South America. This

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102) Tran Thanh Huy's first feature, *Rom*, took the filmmaker seven years to complete. It tells a story of a boy struggling to survive in a slum in Ho Chi Min by purchasing lottery and running deliveries. It was developed into a feature-length from a short film *16:30* (2013), which was screened at Cannes. Autumn Meeting and APM (2015) were the two most significant moments in the filmmaking journey. *Rom* was produced by Tran Anh Hung, who is also an advisor to Autumn Meeting and one of the most significant contributors to the growth of Vietnamese independent cinema.

project market targets only specific genres but the way it operates can be a good source of inspiration. NAFF does more than merely showcasing projects but leads project exchanges with other markets.<sup>103)</sup> Producers who come to NAFF are highly diverse in terms of nationality, varying from Chile, Uruguay, Mexico, Brazil, Argentina, Indonesia, and the US. Since its inception in 2008 for the last 11 years, 53 NAFF projects were made into films. *Eerie*, which was No.1 box office hit of 2019 in the Philippines, was also a NAFF project.

BCF's FLY project is also significant in that pitching opens the door to financing. Pitch High, FLY High program is a showcase program that selects five Southeast Asian projects developed by FLY Film Lab to be pitched at the Asian Film Market during Busan International Film Festival. 2019 FLY Film Lab, which was conceived in time for ASEAN-ROK Commemorative Summit, held its 1st session in Cebu, Philippines in July 2019, where five Southeast Asian projects were selected. The 2nd session was held in Busan from September 28th to October 9th. In 2019, five were selected from 29 projects, and each was given 6 minutes of open pitching followed by a 4-minute Q&A with the panel composed of industry experts.<sup>104)</sup> The projects were refined into completion so they will have a higher chance of being produced, thanks to script consultants and producers from North America and Europe. The activities of local public agencies such as the BCF is profoundly meaningful in that it expands the possibility of collaboration, not to mention boosts the growth of local films.

Project markets are faced with the challenge of attracting actual investments, not just holding conventional events. Now APM and NAFF's performance will be measured by the volume of investment they attracted. Project markets are empty if no investment is committed or no contracts are signed. For project markets to be a venue of actual

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<sup>103)</sup> For project exchange, NAFF collaborates with Sitges Pitchbox, the industry program at Sitges International Fantastic Film Festival, with Nordic Genre Invasion, a film business co-platform for Nordic genre film producers, and with Blood Window, the genre industry program at Ventana Sur, South America's most prominent film market.

<sup>104)</sup> The expert panel for FLY pitching in 2019 was composed of Georges Goldenstern, General Manager of the Cinéfondation at Cannes Film Festival, Sophie Bourdon, Head of Open Doors program at Locarno International Film Festival, and Raymond Patanavirangoon, Executive Director of SEAFIC. They made a point that resonated widely. All three panelists pointed out that producers did not stand out during the pitching and, more importantly, the projects lacked in a business plan that includes financial plan, target audience and marketing, and distribution plan.

investment, the independent filmmakers and financiers should not dwell on meetings but go on to the next phase. HAF, APM, NAFF, and TIFFCOM should come together to discuss the subject of Asian cinema just as the advice given by Kwang-su Park who planned and operated PPP.

Secondly, film markets can become a place of showcase for pre-sales dealmaking. In the long term, film markets will become a platform that enables pre- or post-sales of IPs. Asian Film Market of BIFF that was launched in 2006 recognized the importance of IPs and opened a new pioneering program, E-IP (Entertainment IP) market. E-IP market deals with copyrights of the original works that can be used for transmedia storytelling, including book-to-film rights. Not only the rights on traditional works such as published products or performing arts titles, but also rights on TV series, webcomics, and web fictions produced and distributed on digital media platforms are traded. At the E-IP market 2019, 30 Korean contents, 18 publications from Japan and Taiwan were presented. E-IP and Book-to-Film pitching programs were successful with 568 business meetings held, which is a record high. Three contents signed a contract to be adapted into a film. Story-to-Film operated by the Korea Creative Content Agency (KOCCA) that established its own pavilion at the market is also growing into a meaningful pitching program.

An IP is a source asset of an incomplete story. Today's biggest buzzword for film business in terms of IP business is one-source, multi-use (OSMU).<sup>105)</sup> In the context of IP, the OSMU can be accomplished when a project participated by many Asian countries shares its universe on the same medium and add new stories or rewrite the existing stories. Now the IP business is changing into one-source, multi-territory (OSMT), which means once a source can be used in many different territories. Korea, in particular, is tapping on the OSMT strategy to improve the overseas box-office performance of Korean films, relying on the Korean Wave boom.

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<sup>105)</sup> OSMU is a term that explains the generation of industrial effects, and it was popularized as corporations used it repeatedly to emphasize the industrial impact of cultural programs. OSMU – in the context of storytelling or the cross-media strategy widely discussed in North America – means making different adaptations of an original content and presenting them on multiple media repeatedly. Cho, Heeyoung(2019), "A Study on Intertextuality-driven Approach to Planning and Distributiong Transmedia Properties – Focused on Works Dispersed Through TV Series and Webtoon (PhD Thesis)". Seoul: The Graduate School of Advanced Imaging Science, Multimedia & Film, Chung-Ang University, p.18.

During the 2000s, when the Korean film IP business started to expand, the main focus was on selling the remake rights, which was booming. During the 2010s, international co-production or OSMT through the local branch were considered as more practical options for IP business. This was all thanks to the involvement of the Korean companies that had already been operating overseas offices. When a Korean film is localized overseas, the producer of the original would co-produce the local version based on the original concept or the original producer alone would produce the remake overseas. CJ already had established local branches in the US, China, Japan, Vietnam, Thailand, and Turkey. This was only a natural strategic move for Korean conglomerates to tackle overseas markets.

Either because of OSMU or OSMT, events like the E-IP market have garnered much attention since it is a place of the ingenious ideas and stories from novels and webcomics that can be translated to film media. If it is a good story, it can travel far, moving beyond Asia to the world. The story resources are regenerated if ways to retell the original story are found so that it will speak to each different local audience. Film markets must create such opportunities. Since Asian IPs can be traded outside Asia, marketing activities should follow so that the IP also covers non-Asian territories.

Thirdly, it is necessary to expand the financing matching forums of various sizes where independent film projects and private financiers can meet. Independent films that have not received corporate investment can secure the budget by applying for public funds or competing in the project markets. Sometimes those filmmakers get donations from acquaintances, but those who have difficulty raising money knock on the doors of film festivals. However, not all films enjoy the benefits. Besides, the winners are few, and the prize money is limited. Of course, winning an award will give more visibility and credibility to the project, but it does not automatically lead to the completion of the film. That is one of the reasons why film festivals pour efforts into securing more funds. Sometimes, it is the film festival that arranges investor meetings with more consistency and flexibility than local film promotion agencies. However, reality hits hard. Opportunities are seized, and prize money would make the filmmaker happy, but more often than not, the project fails to go beyond that happy moment.



In Asia, where international co-production funds are almost non-existent, it is of utmost importance for Asian filmmakers to seek practical ways to work together. There are some encouraging cases of combining finance and collaboration in Hong Kong and Singapore. The geographical proximity of Hong Kong and Singapore allowed them to accumulate much experience in collaborating by financing. In particular, the recent accomplishments of Southeast Asian Film Financing (SAFF) are remarkable. SAFF is a project market that came into being thanks to the efforts of film experts and corporate investment. Film producer Justin Diemen started collaborating with Ties That Bind (TTB), European Audiovisual Entrepreneurs (EAVE) 's training program to help boost Asia-Europe co-productions, And then Southeast Asian Audio-Visual Association (SAAVA) came on board, thus the foundation of SAFF in 2015.<sup>106)</sup> SAAVA pays for the expenses incurred in Singapore.

SAFF has been carrying out workshops jointly with Udine Far East Film Festival in Italy since 2016. 15 projects out of 59 from 31 countries were selected in the Singapore session in 2019. What is interesting is that the SAFF project market is not a side event of a film festival. This was a smart decision. More than anything, the panel consists of those who can give practical advice or help to the participants. Small businesses of Singapore and Indonesia also make partial investments. SAFF was a late-comer, but is now growing fast into a project market with the highest possibility of sealing the deals. This demonstrates once again the importance of the decisions made by those individuals and private companies that have the authority of investing in films.<sup>107)</sup>

Recently, the Indonesian government also started a financing forum. BPI (the Indonesian film promotion agency) and BEKRAF (the Indonesian Agency for Creative Economy) joined forces to establish AKATARA in 2017, a film financing forum that creates opportunities for projects to meet potential financiers. This is a fast-growing event for

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106) Ties That Bind used to be a program operated by the Busan International Film Festival. SAFF is composed of the project market, conferences, and educational programs. In 2019, SAFF discovered *Alone Walk*, a USD 80,000-dollar budgeted film by a Lao woman director Matt Iedo, and this film was later invited to Venice and Toronto.

107) From December 2nd to 6th of 2019, seven producers participated in the Singapore workshop according to the partnership with the New Zealand Film Commission. With this, SAFF took another step further to become a project market where Europe, Asia, and New Zealand come together for co-production opportunities.

which 343 projects applied already in 2018. It provides 50 and plus projects the pitching opportunities and 1:1 meetings. In September 2019, AKATARA was participated by the Asia Contents Business Summit (ACBS), a gathering of content business leaders and investors in the neighboring companies. ACBS was founded in 2008 to promote nation-wide and region-wide the creative media and content industry in the context of all fields such as technology, financing, production, distribution, and network. It once opened the ACBS Film Festival screening the films of its member companies. With ACBS joining in, Jakarta, the venue city of AKARTA has grown to be a gathering place of multinational players.

On the other hand, in Korea, there is no financing forum in which investors themselves are directly involved. There are almost no opportunities for independent film projects to attempt to attract investment at an open financing forum. This means there is virtually no chance for a project to find a new source of funding if it fails to receive help from public funds. It is advisable for Korea to plan and operate some financing forums in various sizes to address such problems and to ease the excessive reliance on public funds.

To create more matching opportunities for private investment, such forums that involve diverse investors and producers need to be established in many places. The objective of Singapore or Hong Kong's such strategies is to establish itself as a film hub through its film financing capacity. Any city in the region like Busan can become a film hub. The film hub city can collaborate with investors' groups like ACBS and also have an exchange with EAVE or SAFF. One of the reasons for a filmmaker to make a film is to be able to continue to make movies. They are creators themselves but also responsible for fundraising, and they want financial rewards as much as they desire cultural achievement. Those who have a high sense of mission sometimes become burdened by financial responsibility and end up sacrifice the artistic merits of the project. Those who fulfill their cultural ambition are left with an empty pocket.<sup>108)</sup> Investment from the private sector is necessary because independent filmmakers cannot only rely on public

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108) Creton, Laurent(2005), *Cinéma et marché*, Edited by Jihwa Hong(2005), Seoul: Dongmunseon. p.39.

funds. Therefore, if film festivals or film markets that have discovered the hidden gems of Asian cinema are to go beyond their current limitation, they need to engage film companies and new financiers and accept the demand of the market and demand for competition.

#### **3.3.4. Development of Open Exchange Project Series and Expansion of Flexible Co-productions**

During the last decade, the quality of Asian film productions have improved dramatically. This is thanks to the advancement of digital technology. The quality of independent films also improved. Southeast Asian independent filmmakers, in particular, pour much effort into securing budget through international co-production. One of the reasons why many Southeast Asian producers apply for SEAFIC is to use the lab as a leverage in approaching European funds and in finding a foreign co-producer who can help complete the film. Singapore, understanding the current landscape, is trying to establish itself as a film hub encompassing its neighboring countries in the region. The Singapore Southeast Asian Co-production Fund was part of this plan. On the other hand, Korea does not have a particular preference for international co-production, which is equally valid for the Korean indie scene. China also is pushing ahead with co-production projects by signing international agreements with twenty-or-so countries, but this does not necessarily lead to actual production of films on the private level.<sup>109)</sup>

In terms of business, co-production takes place when the gap between creative resources, production costs, and market sizes of participating countries are not severe, and when necessary resources can be shared among each other. Sometimes, co-production happens thanks to the goodwill of a producer. Film festival funds, project markets, workshops, and development labs are the programs driven by such goodwill. However, the number of beneficiaries of such goodwill is minimal. For this reason, it is

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<sup>109)</sup> Woody Kim(2018.8.23), "Solidarity for Co-growth of Asian Film Industries: Focusing on Asian Film Promotion Agencies" *KOFIC Issue Paper* 2018-11, p.20.

necessary to establish a system that fit both the co-producing countries with different criteria for co-production partnership to ensure successful collaboration. This is a highly difficult challenge. Before reaching the ideal model of an international co-production, this study proposes some joint projects that are reasonably affordable and easy to implement.

Firstly, the experience in international collaborations can be accumulated while carrying out open-type co-productions such as the program exchange series. In a situation where experiences are not accumulated or mutual trust is yet to be formed, some projects with low risk can be explored first. A variety of co-production methods can be tried if approached at the business level. The prototype proposed here is the series exchange. The series project is based on an exchange, but production is done separately by each participant. And eventually, the participants will share rights over multiple episodes. This is the most realistic joint project worth trying for Asia that lacks in co-production experience. It is a co-production project that takes a relatively loose form. Of course, the participating producers would all have to do their utmost to improve the quality of the final outputs by making contributions at co-development workshops. When they exchange with each other the films that they produced individually, one country will end up having as many films as the participating countries.

The producers who participate in the joint project only need to make their own local films according to the production conditions of their respective countries. In other words, each producer makes a local film and then gives the film to other participating producers from other countries and vice versa. If there are five countries joined for this type of project, that means all five participating producers eventually own the domestic rights of all five films. Such an exchange project can choose in advance a specific subject matter or theme that resonates with Asian filmmakers. Each film can be distributed as a domestic film in the respective country of origin, and, at the same time, can access overseas markets of four different countries. The five films can be presented together during a week-long screening event.

Such a series exchange is not unknown to the TV world. In 1994, led by the British Film Institute (BFI) and participated by Channel 4 and the Museum of Modern Art

(MoMA), The Century of Cinema series project was launched celebrating the 100 years of film history. It was a formidable project that involved 18 filmmakers from different countries, each of who would be responsible for one episode of the series and make a documentary on the country's cinema. And the final episodes were exchanged among the participating countries. The US episode was made by Martin Scorsese, Australia by George Miller, the UK by Stephen Frears, China by Stanley Kwan, France by Anne-Marie Miéville and Jean-Luc Godard, Germany by Edgar Reitz, India by Mrinal Sen, Japan by Nagisa Oshima, and Poland by Krzysztof Kieslowski. Sun-Woo Jang made the Korean episode, *Cinema on the Road* (1995), which aired all around the world. The entire 18 episodes aired in the participating countries also.<sup>110)</sup>

There is another similar case of children's short film series exchange by the Asia-Pacific Broadcasting Union (ABU). The ABU series, started in 2014, is an annual international project that involves six Asian countries. With the precondition that the participating broadcaster will program the series in their respective country, a 15-minute long short film targeting children of ages of 7-9 was produced by each TV producer and aired in all participating countries. In 2009, EBS, a Korean TV broadcaster, special-programmed this ABU series under a title, ABU Children's Drama Series.<sup>111)</sup>

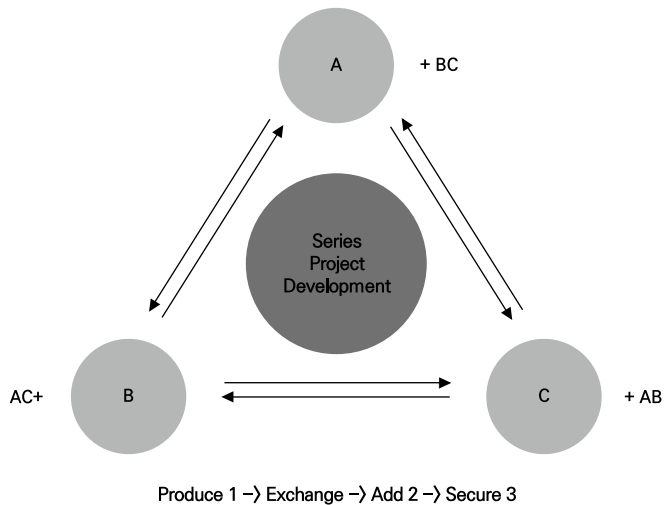
Such an exchange series builds a foundation for an open collaboration while preserving each country's local sentiments and ways of working, as well as securing various contents. It is also possible to alleviate the financial pressure and narrow the technological gap among countries. It is also a type of project that can be welcome by each local market. It is possible to foresee the flow of co-production and how the rights exchange would be: production of contents → participation in supporting the in-kind or technical crew hiring and the actual production → co-financing and securing the legal rights.

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110) *Cinema on the Road*, Korean episode of The Century of Cinema series was invited to Cannes Film Festival in 1995 in celebration of the 100 years of cinema along with the American episode directed by Martin Scorsese, UK episode by Stephen Frears, and Japanese episode by Nagisa Oshima. Lee, Hyoin and Jung-ha Lee(1995), *Cinema on the Road*, Seoul: Openbooks, pp.31-58.

111) In Korea, every evening from May 4th to May 8th, the following shorts were aired: *In the Library* (Japan), *Find the Milk* (Mongolia), *The Sweetest Love in the World* (China), *Suspicious Grandma* (Hong Kong), and *My Sketchbook* (Korea). Kim, Eun-Young(2010), "Narratives of Short Films for Children's Televisions in Asia: A Study on 5 Nations's Shorts Presented by ABU in 2009." *Media, Gender & Culture* 14, pp.5-24.

〈Diagram 8〉 Exchange in Series Project and System of Securing Distribution Rights



Secondly, cross-platform non-theatrical contents can be developed more. The OTT media and the TV broadcasters who are competing against the OTT, especially the premium film channels are new opportunities to independent films. It is because they are the ones who are innovating themselves faster than the traditional film companies. In particular, the creators who want to adopt digital technology ahead of everyone are developing cross-media projects while responding to the changing media ecosystem with flexibility. Regardless of the form such as web films, TV series or omnibus series, stories and film ‘contents’ that go beyond the media boundaries are rooted in the center of the transmedia landscape. This phenomenon stands out especially in China, whose film market is exploding.<sup>112)</sup> Such strategy suits independent films very well because the OTT market is on the constant rise to the extent that, in some cases, a film’s OTT sales outperforms that of theatrical. And that is the reason why now all eyes are on the

112) iQIYI started web films in China, which are the films distributed online with minimum 60-minute running time and whose sales are distributed by PPV. In 2016, 300 web films were serviced every month and 2500 for that year. In the end, China Net Casting Services Association announced censoring web films, and the volume was reduced to 150 monthly. However, the number of viewers increased even more. The gross view for web films was astonishing 7.63 billion views in 2017. Founding of OFCCFA (Online Film Commission of China Film Commission) on May 28th, 2018 indicates online films have entered a new level. Usually, a web film costs approximately RMB 1 million – 3 million (approx. USD 140,000 – 420,000), and production lasts for 2–4 weeks. Li Huiyi · Jianshang Xu(2018), *ibid*, pp.42–46.

strategies of Netflix and HBO.

The popular appeal of Netflix is crucial. Netflix is a powerful streaming platform that will boost the growth of the web film genre. It solidified its long-term viewing pattern by providing benefits for binge-watching. Furthermore, Netflix is investing aggressively on localized content to expand their subscriber basis. This phenomenon is also witnessed in Asia.

HBO Asia also is testing the waters for a TV ontology series that takes a loose form yet similar to that of films, reflecting the local uniqueness. The Folklore series developed by HBO Asia in 2018 was conceived by Singaporean filmmaker Eric Khoo. Folklore was participated by six Asian countries of which filmmakers told stories of local mythology and superstitions. Those episodes were invited to and screened at various film festivals such as Toronto, Sitges, and Austin before premiering on TV, where they were equally received well. HBO Asia, building on the success of Folklore, invested in and produced Foodlore series in 2019. This time also, the episodes were screened at film festivals. It is expected that media companies like HBO will continue to explore such a form of collaboration of hiring local filmmakers for a project, providing screening opportunities at film festivals, and then servicing the contents on television.

As seen in the examples of Folklore and Foodlore, which platform leads such collaboration is now of less importance. The ways of co-production or collaboration have become highly flexible. The production of contents – the mixture of film and TV – has become something natural. More than ever, the films that were produced specially for streaming now travel around film festivals and are screened in theaters with success. The conservative and restrictive attitude toward films now relaxed. This type of structure that allows the production of unique films while conserving the film's local identity has expanded the collaboration possibility between film and TV.

More independent films are expected to be seen on OTT and television. It will be even more so for the independent films that are excluded in the theater circuit and marginalized from the mainstream. However, many problems still remain. Most of all, the terms that Netflix offers to a producer are not so preferable. Netflix only hires the production company as its contractor for the original series and owns all the rights

related to the IP. Netflix is not interested in co-production for which they will have to share the IP rights. As such, even if the Netflix original becomes a hit, the producer of the original contents cannot take the profit, nor can he or she enjoy the profit from other distribution windows. This is one of the reasons why not all independent filmmakers would embrace Netflix's ways of doing business. Netflix, iflix, and any other similar platforms cannot ignore the IP problems that filmmakers face. Even though web films and OTT service platforms certainly provide new opportunities to the independent films that have been able to reach only a handful of audience due to exclusion from distribution an exhibition, many challenges remain to be addressed.

Thirdly, collaboration can start from the bottom, such as international co-production of shorts, collaboration among film schools, and joint workshops among independent film festivals. Until today, though sporadic, partnerships in Asia have been in the form of the co-productions within Chinese-speaking areas, production of arthouse films with a European partner producer, or co-productions among Southeast Asian countries. What is unfortunate is that Korean filmmakers have not been able to sufficiently share such experience. Success cases are also scarce. As such, resistance towards international co-production has worsened one point to the extent that KOFIC halted its International Co-production Support Program in 2018.<sup>113)</sup> This scheme was established with the aim to make Korean projects more globally competitive, to attract foreign investment on Korean international co-productions, and to play the role of a platform for Korean film professionals and post-production companies to go aboard. Many independent filmmakers were devastated by that decision since they were no longer able to get the funding for international co-production projects. Some also pointed out that the real issue was not with the institution itself but with the industry that failed to leverage the institution.

It is necessary to create the conditions more realistic for international co-productions to happen, but what is more important is to experience the need for such collaboration

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113) This was the result of the issue raised by KOFIC's Board members' meeting as well as the 'Future Design Taskforce' workshop, and the review meeting. The reasons for scraping the program were: firstly, co-production belongs to private business and cannot be buoyed by public institutions; and secondly, the projects' quantitative performance did not meet the expectation.



and accumulate such experiences. At the same time, Korean support schemes and systems for international co-productions need to be reshuffled. This is directly linked to the survival of Korean independent films that need to diversify the source of investment to mitigate the budget risk. Co-production is the most common way of financing a project.

The most economical way of co-producing is to make a short film together. That starting point can be co-producing a short film or documentary that would be a relatively low budget. Co-production between public agencies or film schools operated by film festivals is also a possibility. Independent film festivals in different countries can call for entry of co-productions, and these projects can be developed at project development labs. The outcome of such a joint effort can be shared bilaterally. The budget would be relatively small, which makes the pressure to break even less burdensome.

Phan Dang Di of the Autumn Meeting dreams of co-production between film schools. He is picturing a co-production by exchanging students, taking one more step further from mentor exchange. KAFA and a Vietnamese film school can operate a production. His idea entails teaching those aspiring filmmakers to embrace international co-production early in their learning experience. For example, A KAFA student can make his or her thesis film in Vietnam with an Autumn Meeting fellow or write a screenplay jointly with a Lao director at the development lab of the Autumn Meeting.

It would also be a good idea for the Seoul Independent Film Festival to partner with the Mindanao Independent Film Festival for a joint operation of the international co-production project development lab. Such joint projects not only create a shared solidarity among those filmmakers but also stoke interest in discovering each other's film culture that has been hidden behind the curtains for too long. This is another way to approach audience development. Filipino audiences will be able to watch Korean independent films and vice versa. The international co-production project itself will be a highly meaningful learning opportunity for the directors and producers who travel to each other's country for the film festival. And such experience of co-producing shorts will naturally expand to feature films or TV series.

It is also worth trying for film festivals to operate an omnibus program under a

specific theme, just like how Jeonju International Film Festival's Digital Short Films by Three Directors program helped the production of independent films directly. Hong Kong International Film Festival also partnered with YouKou Original for project series called Quattro Hong Kong. Even though this series stopped after the 2nd installment, this is an exemplary case of Asia's leading filmmakers coming together for a short-film series.

Making an omnibus film involving A-list filmmakers is another way to boost international co-production. *Three*(2002) was an outstanding project. This film told local horror stories in three omnibus segments, each directed by Jee-woon Kim from Korea, Nonzee Nimibutr from Thailand, and Peter Chan from Hong Kong. The second installment of this film was 2004's *Three... Extremes* participated by Chan-wook Park, Fruit Chan, Takashi Miike. Another good example is *Love*, which was screened at the Singapore International Film Festival in 2018. This was an omnibus project of 10 different shorts about the theme of love by 10 Southeast Asian filmmakers. It was also received well on the OTT platform.

There are numerous strategies that corporations come up with to ensure a successful international co-production. For example, Ivanhoe Pictures, during the development of a horror film with Joko Anwar in Indonesia, is said to have poured much effort into finding the right material that is most suitable to the local market as well as resonating with the local audience. In the end, the company chose a story of a ritual that involves ghosts. This is a good example of localizing universal stories with local creative minds. Korean companies deploy similar strategies. CJ approached the local Indonesian film market leveraging on their local exhibition business and directly financed Joko Anwar's *Satan's Slaves* (2017). These two cases demonstrate the importance of having confidence in the local creativity and talents.

Yet, this does not automatically picture a rosy future for international co-productions. Many international co-productions ended up being nation-less, and stories were also un compelling. The co-production projects are supposed to tell a story that appeals to both countries, but there have not been many success cases. Even if the film was well-received in the film festival circuit, it was not so successful at the box-office. Even

Hong Kong has a hard time collaborating with mainland China today. It is because the business aspect of the international co-production is not as easy, and the cultural and institutional differences between the countries also are the hurdles. Politics between Korea and China would sometimes have a negative impact on such co-productions between the two countries.

If KOFIC's International Co-production Support Program is reinstated after re-examining the relevant policies, KOFIC needs to tailor the program for Asian films by benchmarking Europe's MEDIA. Once a proper fund is established, a set of rules need to be defined on giving extra points for multi-national projects. For this reason, constant trials are necessary before achieving a successful case of making a fine film by joining forces together.

### **3.3.5. Operating Crowd-based On/Offline Community Screenings and Devising Audience Development Strategies**

It has been European critics or film festival programmers who gave visibility to Korean films in the world stage. In particular, the role of those programmers was critical for independent films. The critics and programmers have been the most economic marketers that find the audience for independent films. With an increasing number of film festivals taking place, the reliance on programmers has diminished, because film companies and promotional events grew in number as well as the know-how of the independent filmmakers. However, the distribution conditions of independent films did not improve much. Overseas distribution was even more difficult. It was rare for Asian films to be distributed or cross-distributed in Korea. Considering how much success Korean films are enjoying in the Southeast Asian countries thanks to the Korean Wave, the level of exchange between the two is very low. It is also challenging to encompass all those films under "Asian film culture" due to the diversity in cultural resources and taste. In this context, how a film is marketed and distributed needs to be developed anew. The followings are the collaboration projects for marketing, distribution, and audience development worth exploring.

The first suggestion is to establish an on-demand crowd-sourced cinema platform so that the audience can enjoy the films they want in local theaters. For this, it would be helpful if independent film distributors strengthen the exhibition network with cinematheques, microcinemas, and arthouse theaters. Access is the key to distribution.

One of the most notable cases of local exhibitors screening independent films is BFI's on-demand crowd-sourced cinema platform, Ourscreen, launched in 2014. Ourscreen is a platform on which audience themselves can organize their own screening by purchasing tickets on the website. Their motto, "Imagine. The Cinema is yours!" illustrates how the local exhibitors communicate with the audience. Through Ourscreen, 500 crowd-sourced screenings were held in 2018. Ourscreen has a partnership with local theaters in the U.K, including Odeon, Vue, and Picturehouse. Distributors and exhibitors screen British independent films every month, which are promoted to young audiences. Such an approach to film screening where local audience assumes a proactive role spread quickly, thanks to the support of independent film supporters and audiences. These events bring back the joy of movie-going.

In Korea, community screening movement is ongoing. Cinema for All Fair Film Cooperative (a.k.a. Cinema for All) established in May 2013 is a social enterprise that is experimenting with alternative film distribution within the framework of fair film cooperative. Cinema for All is known for its previous community project called "popupcinema.kr," and it gathers audience who would like to watch films that were not released in regular theaters. The members of this cooperative find films to screen at the All for One theater of popup cinema and organizes filmmakers' Q&A events. Cinema for All aims to seek alternative distribution channels and address the regional distribution imbalances through community screenings. In other words, it distributes films to disadvantaged areas with no movie theaters while helping independent films marginalized in the market by volume-purchasing the tickets.

Busan International Film Festival's Community BIFF is also an exemplary case. During the festival, Community BIFF engages local cine clubs and communities to induce re-watching of selected films. After the pre-festival in 2018, this 7-day long program started in earnest in 2019, benchmarking South by Southwest (SXSW). It is an innovative

program that connects film-viewing experience with urban regeneration. It is a film festival inside a film festival that the audience themselves organize. The film festival establishes an autonomous and community-engaging platform that connects deeply with the old downtown civil societies. In particular, Request Cinema is a community-led film curation program for which regular movie-goer can curate films as a programmer to watch with like-minded fellow cinephiles. Anyone can select films to show, invite guests, and organize events either under the 'Small Community' or the 'Big Community.' However, only those finally chosen by other audience with a minimum ticket sales via crowd ticketing are given a slot in the program. Community BIFF 2019 made BIFF even more festive. The innovation of Community BIFF originates from the idea that movie-goers are actively engaged in film programming and screenings. Community BIFF is expected to continue experimenting with establishing a connection with the online crowd ticketing with offline theaters.

Microcinemas also need to be expanded. Microcinemas for independent film community is an optimal marketing space where local cinephiles can organize seminars, screenings, and exhibitions on independent films. The first microcinema opened in Metro Manila in the Philippines in February 2016, and local independent films that were excluded in the commercial exhibition due to block booking were given screens though limited in number. Some of the significant merits of microcinemas are that they provide screening opportunities to independent films, encourage alternative ways of film productions, and help create communities of cinephiles. To ensure these theaters are not isolated, they need to be linked to online for further promote themselves to a wider audience.

It is also worth noting the grassroot movie-watching movement and activities of cine clubs in Indonesia. Such activities expand the audience base of independent films. There are many lessons to learn, especially from how the collectives have distributed indie films targeting film communities. Collectives' case well demonstrates that independent producers themselves also need to actively find and develop the audience who will watch their films.

In Korea also, there are arthouse theaters, cinematheques, and regional small-size

theaters. During the 2000s, independent film distribution support schemes of Korea were only limited to offline theaters, and it was during this time when those theaters were highly active in the film scene. The Artplus Cinema Network and Nextplus Cinema Network projects were highly ambitious KOFIC projects that were halted in 2009, leaving independent films struggling for distribution. It is advisable that those schemes are brought back to the discussion table and reshaped to accommodate the current landscape.

It is certain that arthouse theaters are connected to online. It is because, in the context of independent film distribution, as many of those “small” theaters as possible will also need to connect Asian films offline. In the future, new combinations of crowd ticketing and offline viewing will not be limited to small localities. Naturally, theaters across Asia will be networking. Public libraries and public theaters will also be incorporated into the network. Local players should try to make a network of local theaters by utilizing the model that links online platforms with Ourscreen. When theaters start networking, an environment is created where independent films from each country can be distributed in different countries. The participating theaters themselves become a cross-screening space for Asian films. The audience will return to the theater, and the local film community will also be revitalized.

The second suggestion is to establish a pan-Asian online platform for digital release. Online platforms are an essential alternative. Online, there are many things independent films can do for distribution and marketing. It is also worth considering to partner with an existing high-profile platform. The internet environment allows independent films to devise innovative projects relatively freely from the data they do not have. This is something that can start when several independent film distributors come together. Not only new films but also past films can also be serviced. The copyright and billing systems should be differentiated by film, but depending on the conditions, the online platform can be used as the first window.

OTT distribution, where business practices are relatively stable, is a new option. Numerous independent film production companies in Southeast Asia actually join hands with streaming platforms. For example, an independent film in the Philippines, by

partnering with Netflix, secured a digital release opportunity and improved production quality. This is because Netflix has a long list of requirements for post-production quality. It is evident that OTT has become a vital platform for independent films to use.

From the perspective of independent art films, attempts made by Ovid TV are worth studying. Although there are many business considerations, such as video-on-demand (VOD) right purchase, operation management, and billing, it is worth a preemptive review. Ovid TV is an online VOD service created by eight active independent film distributors in the U.S. in March 2019. It distributes arthouse films, documentaries, socially-conscious films, and foreign films to which the distributors have rights. The subscribers can enjoy thousands of notable films and series that cannot be seen on other platforms.<sup>114)</sup>

These platforms allow new audiences to discover films that used to be mediated by the existing film festival space. However, some point out that those platforms' exclusiveness should be improved since they are only accessed by experts. This is because the subscription procedure is complicated, access is only granted to paid members, and the service period is temporary. However, these problems will not be solved quickly because there is a risk of conflict between copyright holders and distributors' interests online before the movie is released. Nevertheless, online streaming platforms are already a leading alternative to conventional distribution. When archiving records and articles written during special exhibitions remain online, they become research materials, and when traffic increases, the related film gains visibility. During this process, the audience is developed at the same time.

Online is still an unknown sphere with a lot to explore. It is also useful as a marketing space. Independent films can use this platform as a marketing tool to upload trailers, provide information. And the platform itself can be a space of online screening. It

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114) Ovid TV is led by Docuseek LLC, which has been streaming 1,400 titles to university libraries since its foundation in 2012. The eight partners are: Bullfrog Films that has produced over 750 documentaries on the environment and social justice for the last 45 years, dGenerate Films Collection that distributes contemporary Chinese independent films, Distrib Films US that owns feature films from France and Italy, First Fun Features that has been distributing independent films since 1979 and gained fame for its MoMA retrospective, Grasshopper Film founded by Ryan Krivoshey in 2015, Icarus Films that accumulated over 1,000 documentaries during its 40-year history, Kimstim that distributes independent, foreign, and documentary films, and Women Make Movie (WMM) which is a non-profit feminist social enterprise based in New York. (Refer to: <http://ovid.tv>)

can also be used as a space for online redistribution or reuse after the domestic and international theatrical releases. Having expertise in platform operation and planning can also make it a gathering place of critics, programmers, cinephiles, and even regular audiences. The market will grow, as influencers appear within the platform and the number of participants who share their experiences increases.

The third suggestion is to expand further the screening of Asian films tapping on film festivals and film archives, and to develop an audience by discovering and supporting local SNS marketers. The film archive's legacy can be used to create audiences in Asia while attempting relational marketing. Since the film festival itself is a massive showcase, it seeks ways for film festivals in Asia to market each other's films jointly. The role of film festivals in Asia was huge. In particular, Busan International Film Festival has made a significant contribution as a showcase for Asian films. BIFF introduced numerous Asian films to the world and became friends with independent filmmakers. Pingyao International Film Festival (PYIFF) is also supporting marketing by promoting local film culture and introducing independent films from China.

Another way to develop an audience is to connect film archives in Asian countries online so that they can legally view each other's film heritage. It would be nice to have a platform dedicated to cloud screenings of those contents from film archives in all Asian countries. When film heritage is uploaded online, there will be more opportunities to appreciate it. Joint servicing or linking is also another way of accomplishing this. For example, the Korea Film Archive provides classic Korean movies on Naver and YouTube. The link of each Film Archive can be shared among the Archives. It is also an excellent way to overcome differences in film culture and information gaps. It is also worth devising an open library partnering with film archives. Film archive of each country has collected, conserved, and utilized various film materials. For example, the Korea Film Archive collects and preserves Korean films while providing free service for public use. Supplementing these existing public activities to create more opportunities to appreciate Asian films is also an alternative.

It is equally important to discover a future audience. For this, it is worth noting the activities carried out by the Cinemalaya Campus Short Shorts Film Competition, which



was launched by the Cinemalaya Independent Film Festival in 2019. A Filipino filmmaker Baby Ruth Villarama attracted student audiences to the theater with her novel ideas. The competition section of the “one-minute filmmaking contest” is open to all students in Bicol, Western Visayas, and Davao City. For three weeks, 200 students participate in workshops, make short films, and screen them at the film festival. Students have to buy Cinemalaya Film Festival tickets to watch their friend’s films in the competition section. The concept is to make students enjoy watching their short films on large screens and to develop those participants into future filmmakers and movie-goers. This program is said to attract about 20,000 people. Short Shorts’ achievement is in the discovery of teenagers as a new audience for local films. It is a meaningful experience in itself for young viewers who are only familiar with Hollywood movies to watch a film that tells their stories and community history. It is worth for other countries to also experiment with such a concept, benchmarking Short Shorts’ accomplishment.

Marketing is whole another challenge. Some argue that a fund is necessary for the production of advertising and promotional materials. However, the traditional advertisement has quickly lost its effectiveness as marketing methods drastically changed with the advent of social networks. Young audiences are informed about upcoming releases from highly contagious YouTube or some dedicated applications, and films compete fiercely against other content – sometimes one-person media. Now that the film viewing environment changed, when it comes to audience development, the way of the past is out of line with the digital age. This is because the contents competing with film are on the rise, and the preference and taste of future audiences cannot be predicted.

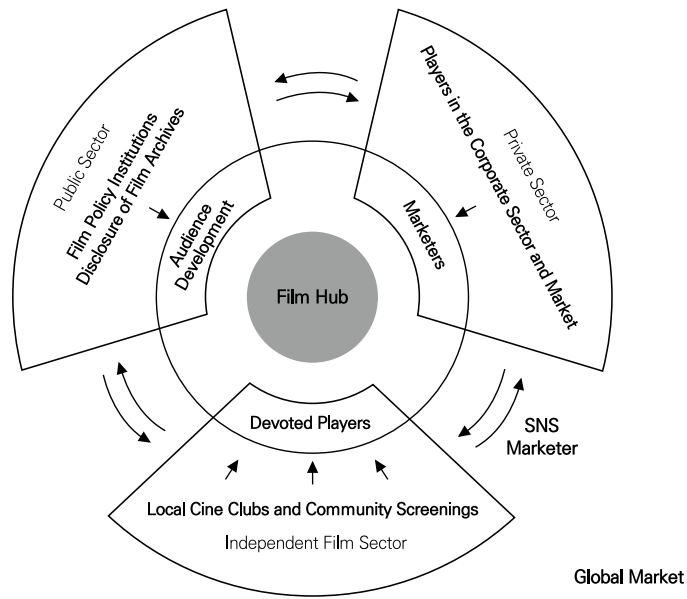
It is not possible to predict how much further this community or the cine club movement can continue in the future. There are cases where theaters maintain audience loyalty for a long time through relationship marketing, but it is usually an achievement of continued investment by exhibition company. There are still very few cases of arthouse theaters breaking even due to low ticket sales. Many movie-going campaigns that aim to develop audience end up failing. Even film festivals cause serious problems and sometimes lose prestige and authority.

Nevertheless, the audience is the most critical element of the film culture. They are the consumers of the market, but they also have an artistic desire to search for fresh eye-openers. Without their support, even players devoted to independent films cannot defend the niche market. In this sense, the role of cine clubs where potential audience gathers is essential. Relationship marketing targeting cine clubs should also be strengthened. In the future, audiences may create a community and lead the screening independently.

Fortunately, social media platforms are serving as a “real” space that connects users around the world, and individual digital literacy is improving accordingly. The status of content creators has also increased significantly. Therefore, if a channel that introduces Asian films gains popularity, the channel itself will create a lot of marketing effects and lead to audience development. It will also be meaningful for different creators from different countries to gather and hold forums and events that strengthen solidarity. When new content is uploaded, this “event” can be promoted by creators group.

The process of turning this global media platform into a self-sustaining and open playground for Asian films itself is a process of audience development. Transnational plans to promote, analyze, and discuss independent films of each country should also be studied. All of these activities should be targeting the “digital natives” of the world, who grew up in a digital environment since childhood. In the future, all markets will be reorganized “on (their) demand.” The film viewing practice will also be diversified in this “on-demand” journey. Audience development should be on this journey. Without the audience, films cannot survive. Without the Asian audience, there is no future for Asian films.

〈Diagram 9〉 Cooperation System for Asian Film Audience Development





## Section 4

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# Path Taken Together with Asia



## Section 4

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# Path Taken Together with Asia

### 4.1. Conclusion and Follow-up

Asian films have vividly recorded the cultural landscape of Asia. At the same time, they have been deprived of their place amid the domination of Hollywood and media giants, and their aggressive market strategies. They were often swayed by the overwhelming power and suffered ups and downs. Asia has witnessed the creation of amazing films from the tension between artistic expression and commercial reality, and each country tried to protect its cultural identity while dealing with competition for survival of the fittest. On the other hand, Asia watched the collapse of the local film market in the face of persistent market strategies of global media companies and Hollywood. Asia learned that there is not much that can be solved simply by hoping for production opportunities, relying on the rhetoric that “content is everything,” and that it is not easy to change the unlevelled playing field of the industry. There were many cases where innovative local attempts were thwarted. For Asian filmmakers, survival has become a pressing concern. There is also a growing need to rely on and discuss with each other,

to give each other opportunities and finally to find a co-growth model that can be used for the good of entire Asia.

At this juncture, the study looked into all nooks and crannies for the grand story of Asian cinema, and perceived all local filmmakers in Asia as a companion to grow together. In particular, independent filmmakers were regarded as key players. Fortunately, the independent film scene in Southeast Asia has grown noticeably. Those local films, which have only just entered the growth projectile, wanted to interact positively with each other, and some cities became film hubs looking for suitable partners. They argued that an influential platform is needed for joint measures in this immensely competitive market of films. Such a platform is not the “silver bullet” to all the pending issues; but, this idea prompted the market “stakeholders” scattered around all areas to talk to one another. This research gathered the relevant ideas while paying attention to such conversations and listening to new opinions.

It was not easy to understand the creative capabilities of individual countries in multi-dimensions. Quite a few filmmakers, policy-makers, and distribution experts were interviewed, and yet it was still challenging to collect objective data. In the early phase of this study, the research team once thought that finding a co-prosperity model in a region with such culturally heterogeneous locality may be an impossible task in itself. This is because each film culture was created in different industrial environments, and the degree of industrialization and the digital divide are also substantial. The concept of “Big Asia” was overly ideal, and it was too ambiguous to approach Asia as a single market. It also felt far-fetched for the Korean film industry to insist on co-prosperity with Southeast Asian films with which Korea had not even had any meaningful exchange. Despite all this, the researchers came to the conclusion that Southeast Asia could be an attractive partner not only for economic reasons but also for cultural co-prosperity and shared growth.

The cultural aspect of Asian films has not always been positive. In Asia, films were sometimes used in propaganda of an empire, and sometimes as a tool for reconstruction of a grand project called, “creation of a nation.” This has given policymakers a dual attitude. Policymakers reluctant to reveal the weaknesses of their nation to foreigners



did not like the idea of free and open collaboration, neither did they lift regulations or censorship. The wide gap in economic development was another obstacle. Cultural Americanization and, sometimes, cultural Koreanization were also essential issues amid the expansion of globalism.

Despite all these difficulties, the research team of this study decided to find ways for Asian filmmakers to expand their collaboration opportunities. To this end, local achievements, activities, and mobility were valued from a transnational perspective, and the paradigm of research had to be shifted from market expansion and growth-oriented thinking to production perspective. Above all, the study wanted to guard against the growth-first principle, such as Hollywood success and overconfidence in the size of the film consumption market. While it is natural for the countries to aim at increasing the size of the market and achieving industrial results, such an attitude can cause side effects. This is why this study tried to reflect on the export discourse of overseas market penetration critically.

The results of this study are primarily twofold. Firstly, it grasps the production conditions and capabilities of Asian countries, emphasizing that production is the core of the film industry. The research team first sought to understand by country the market conditions, policy direction, and the process of accumulating competencies. Industrial statistics were essential to interpreting the market, but it was tough to find the right data. There was not much data disclosed, and neither the related agencies nor the filmmakers had reliable data. It was also a challenge to assess the difference in the creative capacity of each country and region in Asia, the routes of overseas movement, and the quality of creative labor. It was also challenging to discover assets such as literary resources, lifestyles, natural resources, art, and tradition that could be a source of stories. It was also not easy to define the scope, discover contents, and shape them to develop meaningful projects for countries with different languages, cultures, and economic levels.

As a result, it was almost impossible to develop competence measurement indicators and competitiveness evaluation indicators by clearly defining the content and scope of the producer's resources to analyze, interpret, and re-evaluate. It was regrettable that

there was not many evidences or records of qualitative analysis either. Nevertheless, the research team judged that it was necessary to thoroughly organize the information that they had barely grasped though fragmented. It was believed that Asian filmmakers should understand each other in order to collaborate with the goal of co-prosperity. And for this, it was necessary to break the misconception or resistance that ASEAN filmmakers would lack creative competence.

Secondly, this study proposes a practical and flexible collaboration projects at the local level as well as the regional level. The research team believed that the parties involved should make joint efforts to build a structure in which the economic benefits of the film industry circulate in the participating countries, and experiment with the cultural potential within a network of connections and cooperation beyond the limits of the physical region. In particular, the team found some collaboration cases in which a city's geographical accessibility was deemed advantageous and fully leveraged for creating much exchange. Such a process of a city becoming a film hub was highlighted in the study. If local filmmakers connect with those in other countries while restoring their own local production systems and shape the distribution system leading to trade → exchange → interchange of films, the two structures - creative production and productive consumption - can be reinforced. In fact, the more active the local film production was, the more actively the local filmmakers tried to interact with each other and produce innovative results.

Based on their understanding of this background, the research team proposed several viable joint projects even without any immediate public funds to create. The projects have been compressed mainly into five categories: 1. operating workshop tours and training local players, 2. maintaining development labs and systematizing IP management, 3. improving investment results in project markets and boosting financing forums, 4. developing open exchange project series and expanding flexible co-production, and 5. operating crowd-based on/offline community screenings and devising audience development strategies. Each category then included the projects needed to organically settle the cycle of film production, marketing, distribution, criticism, and reproduction in any local area. The study foresees that, once such

collaboration experiences accumulate, local cities become vibrant film hubs and connect with other cities to finally create a meaningful market.

This study also mentions a mediator organization to support networking and collaboration between film hubs and tracking the outcome. Furthermore, it explores the possible role and responsibility of this pan-Asian film organization – if such a governance system is established. Accordingly, the mid-to-long-term vision and road map proposed strategic goals and implementation tasks that can be applied during the Value-Disseminating Phase (2019-2021), which builds mutual trust upon human exchanges, the Leaping-Forward Phase (2022-2025), which expands connection and collaboration, and finally the Stabilizing Phase (2026-2030), which systematizes the co-prosperity structure.

The team was not naïve to think that the ideals of co-prosperity and shared growth would be realized quickly. Nor did they think it would be achieved with the generous support of a nation or a giant conglomerate with abundant resources. However, the study found that there were many areas independent filmmakers could support and rely on each other, and wanted to publicize the findings. This is because tapping on the advantages of such a production system will result in the enhancement of mobility of production capabilities as well as a broader collaboration spectrum.

However, there are many structural problems to address. In particular, censorship or pre-examination of content should be eliminated, for it undermines free creative activities of independent films. To this end, policy agencies should also pour efforts in parallel. Research will also be needed to convert each country's different censorship system to a rating system. If the Pan-Asian Film Organization is created, it should actively engage in public discussion on such topics. Efforts should also be made to bridge the digital divide between Asian film producers. The lack of information about the market and creative capacity is the biggest obstacle to collaboration. Since trust is not formed without mutual understanding, this study recommends to review collecting data on Asian films, filmmakers, and film industries and building a systematic database to disclose online or mobile platforms specially created for such purposes. Furthermore, this platform would be better to have a portal function that can utilize the information

as an infrastructure for collaboration by sharing film policies and support programs as well as box office information by country. Beyond encouraging collaboration, it would be wonderful if this platform evolves into something that supports the distribution of Asian films. It is also worth planning a new public support scheme that promotes the mobility of Asian filmmakers.

It is also necessary to study diverse ways to raise investment funds to support international co-production. Currently, some Asian countries, such as Japan and Singapore, operate a support scheme that provides grants for projects involving their film producers. On the other hand, there are not many programs in Korea that support international co-productions. If Korea were to actively pursue cooperation with other countries in Asia, it is necessary to establish a realistic and pragmatic international co-production support scheme. Programs to encourage the development of multi-national independent projects should also be newly planned. These support schemes should be ensured of their continuity and consistency. It will be inevitable to complement or ameliorate the implementation of these programs; however, abolishing the program or replacing it with something different without involving the film industry for deliberation must be avoided. Due to the nature of film projects that are prepared and reviewed over many years, the support programs that use public funds must be sustained and foreseeable to prevent confusion among filmmakers. In the mid-to-long term, it will be necessary to establish an Asian joint-production fund that can serve as a financial foundation for international co-production support. As far as fund creation is concerned, follow-up studies on funding plans and operational plans must be conducted.

Another real concern is the fact that each local film production environment is different. The “cost” gap is too large for the Korean crew to go to Southeast Asia to collaborate. This is due to the gap in the production budget. There are also many differences in opportunities to enjoy the benefits of public funds. Tax benefits vary widely. For example, the Philippines imposes excessive taxes on films. Different arguments can arise in the process of calculating total sales generated by films. Overhead costs and methods of calculating shares in production are also different. There will also

be an exchange rate problems. The exchange rate is one of the most critical issues in co-production, and it is common for one contracting party to be in a disadvantageous position compared to the other party. In the end, disputes over film business can arise from time to time, so a management manual should also be created. Another challenge is how to stabilize the fluctuating business conditions following political changes and conflicts. Collaboration will take place in the process of addressing such roadblocks one by one.

The co-prosperity model of Asian films encourages the activities of filmmakers who are not constrained by “globalization.” Just like how a film is made, this model allows creative capabilities and experiences of filmmakers are shared on a common platform without being isolated in a silo. There can be no cultural discrimination or exploitation in such an initiative. Therefore, mutual respect for creative capacity is essential. Understanding the local way of thinking and culture is as crucial as cultivating film experts and bringing up the level of filmmaking quality. Unique cinematic imagination, creativity, and innovation must also be sought in a multi-dimensional manner.

Korea’s standing in relation to a smaller country today may be reversed in the future. If the business performance based on economic effects solely drives decisions, even a friendly relationship established upon films would be difficult to maintain. The artistic passion – beyond a mere commercial success – of Southeast Asian independent filmmakers is no different from that of Korean independent filmmakers. Art is even more powerful when it overcomes the plight of life. When Asian films keep on creating new stories, persevering in the market, and narrowing the gap between ideals and reality, the cultural and historical values of films will grow bigger and bigger. In “story-telling,” how to “tell” constantly changes, but its foundation – the “story” – is immortal. At least in Asia, there are countless “raw materials” that can be developed and enjoyed as various contents by utilizing local original stories and arts as creative elements. As Trosby (2001) said, just as biodiversity is vital in the natural world, cultural diversity is also crucial in the maintenance of cultural systems. No local film will be separated from this system. The film culture of the individual countries that makes up Asian cinema should be understood holistically in this context. Otherwise, the opportunity

for genuine collaboration will not come. More research and consideration will be needed to implement the feasible projects in the current climate of ranking cultures based on capital.

Without friendship, nothing can be accomplished in making a film that requires a group of people who work together. It is exciting to learn about the history and film culture of neighbors who lead vibrant lives, though they sometimes seem disorderly. The fact that Korea, which was a “wild card” in the global economy in the late 1990s, turned filmmakers around the world into supporters of the screen quota defense movement was a significant breakthrough that changed the general course of Korean films, in both industrial and cultural sense. Since then, Korean films have recovered their health and grown steadily. Such a breakthrough can occur in the Philippines, Vietnam, or Taiwan. A co-prosperity partnership will be established when countries inspire each other through ingenious and energetic collaborations within such friendship. Only then will Asian films become free of old desire for “recognition” of the West and rewrite their own film history. A new path for Korean cinema will also be in this path taken together with Asia.



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## 〈List of Contributors〉

(Translator followed the English spelling rules suggested by the National Institute of the Korean Language for the Korean names whose English spelling could not be verified.)

## Pre-Interview Respondent

Chang, Terence (China): Producer; CEO of Lucida Entertainment  
Chea, Philip (Singapore): Film Critic; Founder of BigO  
Garcia, Roger (Hong Kong): Former Executive Director of Hong Kong International Film Festival  
Kanako, Hayashi (Japan): Former Festival Director of TokyoFilmeX  
Le, Anderson (Vietnam): Programming Co-director of Hawaii International Film Festival; Programmer of Los Angeles Asian Pacific Film Festival  
Lee, Philip (Singapore): Co-CEO of Facing East  
Masaki, Koide (Japan): Producer of Robot Communications  
Murata, Cheiko (Japan): Senior Manager of Aniplex, Inc.

Negami, Tetsu (Japan): Partner of Klockworx

Ocampo, Dos (The Philippines): Lecturer at Manila Film School; AFiS Graduate

Phathanavirangoon, Raymond (Thailand): Producer; Executive Director of SEAFIC

Taurisia, Meiske (Indonesia): Producer; President of Palari Films

Tham, Carol (Singapore): Producer; President of mm2 Entertainment

Tomoko, Fushimi (Japan): Producer

Tsui, Frederick. (Hong Kong): Senior Manager of Media Asia

Wong, Jacob (Hong Kong): Curator & Director of Hong Kong-Asia Film Financing Forum (HAF)

Wong, Ronan (China): Film & TV Vice President of Endeavor China (Formerly Known as WME IMG China)

## Participants of In-depth Interview Survey

Barker, Thomas (Malaysia): Professor of the Faculty of Arts, University of Nottingham

Cilin, Deng (China): Producer, AFiS Class of 2019

Diño, Mary Liza (The Philippines): CEO & President of Film Development Council of the Philippines (FDCP)

He, Adam & SAW, Kristin (Singapore): Assistant Manager, Media & Ecosystem Development, Singapore Film Commission, IMDA.

Kovitvanitcha, Donsaron (Thailand): Producer, Founder of 185° Equator

Ma, Kevin (Hong Kong): Head of Asia in Cinema ([www.asiaincinema.com](http://www.asiaincinema.com)); Freelance Writer/Contributor on Chinese-speaking Film

Park, Kibum (Japan): PhD candidate, Mass Communication, Graduate School of Sociology, Kansai University

Phan, Dang Di (Vietnam): Film Director; President of Autumn Meeting

Shen, Yu-Hua (Taiwan): Producer; Vice President of Flash Forward Entertainment; Trainee of AFiS 2019

## Face-to-face In-depth Interviewees (Dates of Interview)

Ahn, Jihye(2019.7.30.) Team Leader, Busan Asian Film School

Ahn, Youngjin(2019.8.8.) Producer; President of Mi-In Pictures

Assarat, Aditya (2019.7.5.) Co-director of Purin Foundation, Thailand  
Bae, Joohyung(2019.7.30.) Head of International Business Department, Busan Film Commission  
Chatchairungruang, Sangar(2019.7.3.) President of Transformation Films, Thailand  
Diño, Mary Liza (2019.8.1.5), CEO/President of Film Development Council of the Philippines (FDCP)  
Doh, Dong-joon(2019.7.29.), Director, Film Policy Research Team, Korean Film Council  
Francis, Mark (2019.8.17.) Chief Content Officer of iflix, Malaysia  
Gutierrez, Chuck (2019.8.17.), Film Director, Voyager Films  
Han, Sunhee(2019.6.13.) Producer; Professor of Busan Asian Film School  
Jang, Gunjae(2019.9.27.) Film Director  
Je, Jeong-ju(2019.7.24.) Producer; Co-President of ATO  
Jay Jeon(2019.7.30.) Festival Director of Busan International Film Festival  
Kim, Dong-ho(2019.8.5.) Former Chairman of Busan International Film Festival  
Kim, Donghyun(2019.7.18.) Festival Director of Seoul Independent Film Festival  
Kim, Hyaejoon(2019.7.29.), Executive Director, Center for Fair Competition & Equality, Korean Film Council  
Mann KIM(2019.7.29.) Director, International Relations Team, Korean Film Council  
Kim, Jaemin(2019.7.25.) Director of Contents Panda(NEW)  
Kim, Young (2019.6.13.) Producer; Former Professor of Busan Asian Film School  
Kwak, Yongsoo(2019.7.18.) Producer; CEO of Indiestory  
Lau, Winnie (2019.7.6.) Head of Asia Production & Distribution of Ivanhoe Pictures  
Lee, Yong-kwan(2019.7.30.), Chairperson of Busan International Film Festival  
Nam, Jongsuk Thomas (2019.8.8.) NAFF Managing Director of Bucheon International Fantastic Film Festival  
Ng, Joachim (2019.7.5.) Director of IMDA, Singapore Film Commission  
Oh, Minwook(2019.10.7.) Documentary Film Director  
Park, Kiyong(2019.7.11.) Film Director; Professor of Graduate School of Cinematic Contents, Dankook University  
Park, Seokyoung(2019.10.8.) Film Director  
Park, Sungho(2019.7.4.) Programmer of Asian Cinema, Busan International Film Festival  
Phan, Dang Di (2019.8.17.) Film Director; President of Autumn Meeting  
Phatanavirangoon, Raymond (2019.8.15.) Producer; Executive Director of SEAFIC



- Pholthaweechai, Ruedee (2019.7.5.) Associate Director of Sales and Intranational Business, GDH, Thailand
- Raynes, Tony (2019.7.26.) Film Critic, UK.
- Shackelton, Liz (2019.7.5.) Asia Editor of Screen International
- Sukhum, Soros (2019.7.7.) Producer, Thailand
- Sung, Jihae(2019.8.19.) Director of BIFF Film Academy, Busan International Film Festival
- Tan, Pin Pin (2019.8.17.) Film Director, Singapore
- Taurisia, Meiske (2019.8.15.) Producer, Indonesia
- Tee, Loenardo (2019.8.16.) Producer, Malaysia
- Teng, Lee Yein (2019.7.5.) Former Vice President of MUVI, Malaysia
- Villarama, Baby Ruth (2019.8.17.) Producer, Voyager Films, Philippine
- Werner, Michael (2019.8.15.) Film & Media Strategic Consultant, US·Hong Kong
- Yang, Jong-Gon (2019.8.8.) Producer; Film Company Chingu
- Yang, Kyu-Shik (2019.7.29.) International Relations Team, Korean Film Council
- Yun, Ha (2019.7.29.) Former Director, Industry Infrastructure Development Office, Korean Film Council
- Yun, Chang Up (2019.7.25.) Producer; CEO of Moonwatcher

## Telephone Interviewees & Research Support

- Cho, Heeyoung Joyce. Dean & Professor of Busan Asian Film School
- Hang, Trinh Le Minh. General Director, Skyline Media Co., Ltd, Vietnam
- Rhee, Juyoung. Asian Film Academy, Busan International Film Festival
- Moon, Saeyeon. Manager, B. I. G, Bucheon International Fantastic Film Festival
- Moon, Sung-Joo. Head of Asia Production, Smile ENT
- Park, Seri. Asian Project Market Team, Busan International Film Festival
- Park, Sunyoung. Programmer, Asian Cinema, Busan International Film Festival
- Park, Sunyoung. Programmer of Asian Cinema, Busan International Film Festival
- Seo, Woo-sik. Producer, Former CEO of Barunson
- Taro, Imai. Producer, Japan
- Yoon, Minki. International Film Production Team of CJ ENM

## **FGI Participants (2019.10.10, AFiS Batch of 2019)**

Azizuddin, Feisal Bin from Malaysia

Bok, Hui Wen (Angelina) from Singapore

Chagasik, Maenum from Thailand

Deng, Cilin from China

Herwanayogi, Luhki from Indonesia

Nguyen, Huu-Tuan from Vietnam

Shen, Yu-Hua (Ivy) from Taiwan

Valenzona, Carlo Camilo from the Philippines

## Acknowledgements

We thank our colleagues, seniors and juniors in the film industry for encouraging and supporting this overly “ambitious” project. In particular, the words and wisdom of those who allowed interviews were sources of abundant imagination to address complex problems. The experience and opinions of Asian filmmakers, distributors, film festival officials, media industry professionals, and policymakers who are dedicated to film culture in their respective positions also stimulated our will to dig deep in the research. We found out that the “small” seeds they sown in the past in foreign land survived and reaped fruit. We were delighted and thankful. Listening to the voices of the industry, we researchers expanded our research scope while holding on to the keywords such as local films and creative capabilities, film festivals and educational programs, and collaboration and co-prosperity. We once were lost in the course of this journey. Every time we got lost, we tried to unravel the tangled thread by putting ourselves into the shoes of independent filmmakers or by becoming their friend, recreating the complex world of films regarding their cultural values and economic benefits.

We are grateful to have learned about the local films and their achievements to which we had not been exposed. Notably, we grew respect deep in our hearts for the struggles of independent cinema in Southeast Asia. They have been forming a unique-yet-international film culture that no one can dare to dismiss. In the context of co-prosperity, it was the film festivals that welcomed independent filmmakers early on already. In particular, the achievements of the Busan International Film Festival's APM and AFA, and the Bucheon International Film Festival's NAFF and Fantastic Film School were significant. Busan Film Commission and AFiS also made an equally vital contribution. They are all the programs that started locally in Korea, but are now “Asian.” The ecosystem of independent films has become more abundant amid these film festivals and educational initiatives. This study sought to reinterpret this phenomenon and

find projects that fit the vision of co-prosperity.

Sometimes, a research project starts in order to commemorate someone or someone's achievements. Our hearts ache from our memory of him. We remember the time when we were nervous and excited at the same time, witnessing the launch of the Busan International Film Festival twenty four years ago. We express sincere thanks to the late Kim Ji-seok, who conceptualized this beautiful film festival and devoted his every day to make the festival a success. Busan International Film Festival has become such an integral part of Asian Cinema that nothing can be discussed about Asian films without mentioning BIFF. Many interviewees missed him very much as they remembered him fondly. This study adds strength to the journey Ji-Seok began when he was with us. Now we walk the journey with him - again.

2019-2020 Project Research Team of KOFIC















영화진흥위원회  
Korean Film Council



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